

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON EDUCATION**

**Eightieth Session
April 30, 2019**

The Committee on Education was called to order by Chairman Tyrone Thompson at 1:33 p.m. on Tuesday, April 30, 2019, in Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/App/NELIS/REL/80th2019.

COMMITTEE MEMBERS PRESENT:

Assemblyman Tyrone Thompson, Chairman
Assemblyman Edgar Flores, Vice Chairman
Assemblywoman Bea Duran
Assemblywoman Michelle Gorelow
Assemblywoman Alexis Hansen
Assemblywoman Melissa Hardy
Assemblywoman Lisa Krasner
Assemblywoman Brittney Miller
Assemblywoman Connie Munk
Assemblywoman Sarah Peters
Assemblywoman Jill Tolles
Assemblywoman Selena Torres

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

Senator Moises (Mo) Denis, Senate District No. 2

STAFF MEMBERS PRESENT:

Kelly Richard, Committee Policy Analyst
Victoria Gonzalez, Committee Counsel
Sharon McCallen, Committee Secretary
Trinity Thom, Committee Assistant

OTHERS PRESENT:

Yolanda Knaak, Legislative Chair, Nevada Federation of Republican Women
Lynn Chapman, State Vice President, Nevada Eagle Forum
John Eppolito, Private Citizen, Incline Village, Nevada
Chris Daly, Deputy Executive Director, Government Relations, Nevada State Education Association
Donald G.T. Gallimore, Sr., Third Vice President, Reno-Sparks Branch 1112, National Association for the Advancement of Colored People
Linda Buckardt, Private Citizen, Henderson, Nevada
Lindsay E. Anderson, Director, Government Affairs, Washoe County School District
Robert C. Sidford, Chief Information and Innovation Officer, Washoe County School District
Juanita Cox, representing Citizens in Action; and Nevada Republican Assembly
Alexandra Dominguez, Director, State Government Relations for Nevada, The College Board
Raymond Medeiros, Director, Innovation and Technology, Carson City School District
Hawah Ahmad, representing Charter School Association of Nevada
Bradley Keating, Director, Government Relations, Clark County School District
Jason Goudie, Chief Financial Officer, Clark County School District
Kellie Ballard, Director, Office of the Deputy Superintendent, Clark County School District
Stephen Augspurger, Executive Director, Clark County Association of School Administrators and Professional-Technical Employees
Ed Gonzalez, representing Break Free Clark County School District
Annalise Castor, Cofounder, Break Free Clark County School District
Stephen H. Silberkraus, Private Citizen, Henderson, Nevada
Byron Brooks, Private Citizen, Henderson, Nevada
Christy Ruffolo, Private Citizen, Las Vegas, Nevada
Elena Rodriguez, Private Citizen, Las Vegas, Nevada
David Gomez, President, Nevada Peace Alliance, Las Vegas, Nevada
Kenneth Rezendes, Private Citizen, Las Vegas, Nevada
Jessica Jones, Private Citizen, Las Vegas, Nevada
Clifton Berry, Private Citizen, Las Vegas, Nevada
Alex Ortiz, Assistant Director, Department of Administrative Services, Clark County

Chairman Thompson:

[Roll was called. Committee protocol and rules were explained.] We have two bills before us today. We are going to open the hearing with Senate Bill 403 (2nd Reprint).

**Senate Bill 403 (2nd Reprint): Revises provisions relating to data privacy for pupils.
(BDR 34-309)**

Senator Moises (Mo) Denis, Senate District No. 2:

I am here to present Senate Bill 403 (2nd Reprint) which revises provisions related to data privacy for students. As K-12 education continues to become ever more technology-based, it is important that our laws keep up and ensure that students' personal information is not only protected, but also used appropriately and responsibly. Senate Bill 403 (2nd Reprint) aims to continue efforts toward that goal. It also aims to ensure that students and families are aware of related data security plans as well as notified of any breach.

I have worked on this data privacy issue for the past couple of sessions, and one of the things we had come up with in the original bill was the concept of having parents being able to opt out if they did not want their child to use a specific software. The issue became that everything is becoming so technology-based now that there really is not an option to give someone if the district decides they are going to use certain technology as their core and key pieces. We have made some modifications to it, and we have put some things in here that will allow parents to be more educated on what kind of technology is being used and how, if they see an issue, they can participate in being able to give input to the district.

Before I get into the provisions, I would like to define a couple of key terms. The bill has many references to "school service" and "school service provider." Per *Nevada Revised Statutes* (NRS) 388.283:

1. "School service" means an Internet website, online service or mobile application that:
 - (a) Collects or maintains personally identifiable information concerning a pupil;
 - (b) Is used primarily for educational purposes; and
 - (c) Is designed and marketed for use in public schools and is used at the direction of teachers and other educational personnel.

Thus, a "school service provider" is the operator of such a website, online service, or mobile application that is targeted toward schools for educational purposes.

The term "school service" does not include more general websites or applications; internal databases or systems; certain exams and assessments; instructional programs purchased by a district, a charter school or the Department of Education; or certain school services for which the provider has met certain criteria relating to contracts and the Family Education Rights and Privacy Act of 1974.

Another key term in section 1 of the bill is "covered information" which is defined in subsection 3, paragraph (a). This term refers to the personally identifiable information of a student or any information that is linked to a student's personally identifiable information that is created by, provided to, or gathered by a school service provider.

Getting into the bill itself, section 1 of S.B. 403 (R2) requires a public school to post certain information on its website before a student has used the school service provided by a school service provider. These requirements apply to all public schools, including charter schools and university schools for profoundly gifted pupils. The information that must be posted includes a summary of the laws governing school service providers; a list of school service providers for the school; confirmation that each school service provider has created a plan for security of the student data; information about the circumstances under which notification will be provided if a breach of that plan is discovered; a description of any other actions taken by the school, district, or governing body of the school to protect the security of student data collected by a school service provider; and a description of how a student or parent may report any suspicious activity related to the use of a school service provider.

That is the first part that deals with what a parent is going to see at the beginning of a school year. That list will be available to them and has all of those service providers. Basically, it is the approved list that a district would put together. The reason that is important is that the district will make sure that they are following all of these rules to protect the data. An individual teacher could decide to use something that is not on this list, and that could be problematic as it may not have been vetted. This is what the districts are going to now—where they have an approved list that the schools can use. If there is another provider that they want to use, there is a process that the districts go through to approve those.

Section 1, subsection 2, requires public schools—again including charter schools and university schools for profoundly gifted pupils—to communicate the availability and location of such information to students and parents at the beginning of the school year.

Section 1, subsection 3, provides definitions. Section 2 of S.B. 403 (R2) modifies existing law related to the use of a student's personally identifiable information. Subsection 5, paragraph (a), revises an existing prohibition on targeted advertising to prohibit a school service provider from engaging in targeted advertising within a school service or on any other website, online service, or mobile application if the targeted advertising is based on information gathered from its school service.

Section 2, subsection 6, paragraph (f) allows a student's personally identifiable information to be used for performing certain research that is required or authorized by federal or state law. Section 2.5 of S.B. 403 (R2) relates to the plan that the school service providers must establish for securing student data. Section 2.5, subsection 3, provides that if there is breach of the security plan, a school service provider must provide notice of the breach and any actions being taken to address it to a school district, charter school, private school, or university school for profoundly gifted pupils as applicable. Section 2.5, subsection 4, requires a school or district to pass that notice along to affected students and parents.

Section 3 allows a school service provider to use aggregated de-identified information derived from the student's personally identifiable information to develop and improve the products of the school service provider.

Finally, sections 4 through 10 establish for private schools provisions similar to those found in section 1 of the bill.

Overall, I believe that the provisions in S.B. 403 (R2) will help us continue to help Nevada students while still allowing their personal information to be used responsibly and for appropriate purposes. I will mention that there is data protection that is being used in multiple states. It is a law from California that became operative in 2016 that we refer to as SOPIPA [Student Online Personal Information Protection Act]. It has common elements that they use. Having worked in technology for many years, I know that we do not want 50 different sets of rules on how to collect data across the country. When I was looking at what we could do in Nevada, I looked at the sample that is being used by several other states. We have built that in here and have also been able to personalize some of it to Nevada. This will provide some comfort to parents so that they know what kinds of things are approved by a school district as far as the technology being used by these service providers. You hear of data breaches all of the time. In education we have heard some of those have happened with some of the software that is being used out there. This gives the opportunity for parents to know what kind of things are available, and if they see something that concerns them, they will have a process for them to go to the district to express their concerns regarding a certain service provider.

One of the changes we had to make on the Senate side was because they cannot give us the specific plan that they are going to follow. The way we had it worded in the Senate was that they were going to give us a specific plan, which would have given anybody the knowledge they would need to actually go in and get the data. It would have given the names of the servers and the processes they were going to use. This only requires the service providers to make sure that they have a plan and they are working it out with the districts as they create their agreements between a district and the service provider.

Assemblywoman Krasner:

I cannot tell you how many parents comment to me about this and tell me their concerns about data collection and privacy on their children in school. In the past year, Equifax and Facebook had data breaches; the concern is that if these hackers can hack these large entities, it would be very easy to hack into our children's school accounts. Thank you for bringing this bill; I really appreciate it. If you would accept me as cosponsor, I would really appreciate that too.

Senator Denis:

Yes, that would be fine.

Assemblywoman Torres:

I have a few concerns regarding the implementation of it. I definitely agree that we need to find ways for us to secure that data. I want to know what this would look like in actuality and practice for a school district. My first concern is with programs like Google which are used in several school districts throughout the state. Many of our students have Google on their cell phones as well. They are using their school email on their cell phone. It is actually

used now because teachers cannot communicate to students directly. They might use that communication even to use Google Voice to call a teacher when they have an event or something like that. My concern is that this might limit even the use of a program like Google, because I know Google also tracks information. For example, we always talk about the idea that if you are talking about a red tie and you keep talking about a red tie, it begins to pop up in those sponsored ads. I am wondering how that would impact this.

Senator Denis:

I am sure the districts could answer that better on how they do it day to day, but they already have agreements with many of those kinds of programs like Google. Actually, the language I am using here came from Google. I do not think it would limit them in their ability. What we are trying to do in schools if they are using their private accounts is different than what they are using at school. If they are required to use it as part of their curriculum or part of learning, then they would need to make sure they are using certain approved providers that have been approved through the district.

Assemblywoman Torres:

Talk about the limit, like the use of apps in classrooms. A lot of teachers are shifting to using applications to create and enrich instructional practice, like games for example. There is a quiz app that is really common right now. The teacher puts the quiz question on the board, then the students can answer it and respond using their personal cell phones or a laptop. How would this impact the use of programs like that? Would every single program need to be approved? What would that timeline look like? I am thinking that could make it very difficult to be a teacher in the present day when we are trying to shift to be twenty-first century classrooms. This is going to make it more difficult.

Senator Denis:

I would imagine that it would depend on the app. Some apps do not require logging in and giving personal information. It could just be a way to connect to each other, like the quiz thing and just answering. Anything that is collecting data, as a parent, I would want to make sure that if they are giving out their personal information, I want to know what we are doing to protect that data. That would need to get approved through the district. With some of the other apps, whether it fits the definition of service provider or not, and is just an app, I do not think that would apply. If it is requiring some kind of login and personally identifiable information, then we would want to protect that.

Assemblywoman Torres:

Is there somewhere in this piece of legislation that states the type of data that would be required to be collected? For example, some of those apps require data, others do not. Where is that outlined in this legislation?

Senator Denis:

Section 2, subsection 5, paragraph (a) is where it modifies existing law related to the use of students' personally identifiable information. Starting on page 4, line 33, it states, "A school service provider shall not: Use personally identifiable information to engage in target advertising." That is telling you what they can or cannot do with the data.

Then in section 1, subsection 1, paragraph (d), it states, "Describes any other actions taken by the public school, the school district or the governing body of the charter school or university school for profoundly gifted pupils, as applicable, to protect the security of any data collected by a school service provider, including, without limitation, covered information and personally identifiable information, concerning pupils." Covered information is defined in section 1, subsection 3, paragraph (a). "'Covered information' means the personally identifiable information of a pupil or any information that is linked to the personally identifiable information of a pupil which is: (1) Created by or provided to a school service provider." The specifics of what that means is, it is going to have their name, student ID, address, phone number, and other types of things associated to a specific person.

Victoria Gonzalez, Committee Counsel:

For the terms that apply to these sections in NRS 388.282, "personally identifiable information" has the meaning ascribed to it in federal regulations, and in those regulations that personally identifiable information is the student's name, the names of the student's parents, the address of the student's family, personal identifier, and other indirect identifiers. That is the definition of the personally identifiable information that would apply to the type of data that is collected within these applications and services that you are mentioning.

Senator Denis:

That is exactly what I was going to say. We actually discussed this earlier. I just could not remember that it is the committee counsel who always points out where it is. We do not define everything in a bill.

Assemblywoman Miller:

In section 2, subsection 5—the areas where it refers to the allowable data to be collected—when I read this I am interpreting this as data that is already collected in the course of doing business. Obviously, we have information on students, on parents, on scores, abilities, and those types of things. For the record, you are not suggesting the collection of more data. This bill is actually to inform the parents of how these different programs work, correct?

Senator Denis:

Correct. This is not asking for them to put more data into the system. We are just trying to figure out a way to protect whatever data we do collect. If they decide to do more, they can; if they decide to do less, they can. But if they are going to collect data, then we need to have a plan for protecting that data.

Assemblywoman Miller:

I have gotten emails regarding this bill, many in support, but even more so, many against it. We know how narratives change when there is opposition. I am getting a lot of emails where they are perceiving this bill as we are trying to sell the student's information to another company. The emails are saying please do not sell our students' information to other companies. I want to give you an opportunity to clarify on the record that this is absolutely not the intent.

Senator Denis:

Actually, it is the opposite. That is why we brought this forward. I was working with some parents who had concerns about what we are doing with the data. They know that Google and others can look at data and sometimes there might be a piece of data in one particular database and a different piece in another, and they can find a way to connect those two. Individually, it is not enough information to do something with, but if they can actually aggregate the two into one—we are trying to protect that. This is definitely not asking them to gather more data or to sell data. The districts have to have an agreement with the users to make sure they have a plan to protect this data and that they cannot use this commercially as a viable issue unless someone has given permission for that use.

Assemblywoman Peters:

I always love a good data bill. My question has to do with the process of auditing the third-party programs to ensure they are doing what they are saying they do and only what they say they do before there is a breach or before we find out other information. This has been something I have been interested in doing at the state level across the board. When we go into an agreement or a contract with a third party—software or hardware—developer, that we have some type of process to vet that software. I am wondering if that would be a part of the planning that is developed in this bill. Have you put any thought into who would handle that?

Senator Denis:

We had this discussion with the districts, and rather than do this at the state level, they are already going through this process when they are making agreements with these providers to ensure that they have a safety plan. Rather than try to invent something new at the state level, I figured we would use what is currently out there. If we find that it is not working, then we may need to come back and have the state take a look at what kinds of things could be done at the state level. The two larger districts are doing a lot in this realm.

I have served and currently serve on the Commission on Educational Technology. I know that each district is doing something when it comes to technology and they have different ways to go through this, but this will provide some guidelines for all of the districts. Hopefully, they are already doing something to protect data. If not, this gives them a good blueprint to follow.

Assemblywoman Peters:

I just want to ensure that when we talk about developing safety plans that we also talk about an audit process, something that gets into the programs. I am uncomfortable with the state getting into agreements with any company that has proprietary data that we cannot see, or a proprietary software code that we cannot see. It is worth having a conversation around increasing efficiencies at the state level as well. If one district has already vetted a software, then somewhere we know we can see how that process went through and other districts can leverage that process too so that we are not duplicating efforts. This is just a pitch for a centralized office; consider that as we process this bill and future bills on data.

Senator Denis:

I am sure that the Department of Education is hearing this, and I would hope that they would take a look. There is nothing in here that would prohibit them from talking to the districts and finding out what kinds of things they are doing and sharing with the rest of the state.

Assemblywoman Torres:

I looked at the definition of personally identifying information and one of my concerns is that a student's name is part of that. Quite simply, our students put their names on so many different programs, including when the library comes in and gives a presentation in our classrooms, and the students, in using the library programs, are required to enter their names. We might want to limit that part of what is allowed. I am not seeing why we would want to prevent students from being able to put their name on their paper which is the first thing I tell my students. Could you elaborate on that?

Senator Denis:

This does not prohibit them from doing those kinds of things. You mentioned the library; parents have to sign off on some of the kids, depending on the age of the child. It does not prohibit them from doing that, but what this is doing is protecting that data so if they do have their name as part of a program they are using, the company that is providing that service needs to have a way of protecting that data from going anywhere but what it is intended for.

Chairman Thompson:

Anyone in support of Senate Bill 403 (2nd Reprint) please come forward.

Yolanda Knaak, Legislative Chair, Nevada Federation of Republican Women:

We have 16 clubs statewide and over 1,150 members statewide. We support S.B. 403 (R2). We have a resolution to promote student data privacy and this bill does just that. As a parent, I feel it is very important to notify parents in case of a data breach. In fact, that is common sense.

Lynn Chapman, State Vice President, Nevada Eagle Forum:

We are in support of this bill. There was a massive breach with 80 million U.S. households that were hacked into. The hackers got the names, ages, and location information. Experts from vpnMentor, a site that analyzes virtual private network services, discovered this breach and they said that 65 percent of the households nationwide are going to be affected. They

said it is unclear who owns the 24-gigabyte database; unlike previous leaks, we have discovered that this time we have no idea who it belongs to. They warned that this information could help hackers gain access to related accounts such as email addresses by using full names included in the database.

This is not the first time a huge database has been breached. They said, however, we believe it is the first time a breach of this size had included people's names, addresses, and income. This opens the database to a gold mine for identity thieves and other attackers.

There was a mom in Jefferson County, Colorado, who asked a lot of questions and she has a preschooler. What kind of security measures are being used to protect their data? Who has access to this data? How long will the data be stored? What kind of proven benefits are there of a kindergarten teacher putting all of the data into a database?

Over the past four years, Google has been scanning and indexing student email messages and data mining student users for commercial gain. We have to worry about the protection of families and their privacy, and we do not want to know how bad this could actually get down the road. Stop it now. We do not need the schools helping further the destruction of our privacy. This is a good bill; please pass this.

John Eppolito, Private Citizen, Incline Village, Nevada:

I am the president of Protect Nevada Children. We would like to thank Senator Denis for bringing this bill forward. The original version would require school districts to educate parents and let parents decide if their children will use these products or not. I am a programmer from the 1970s and my children will never use any of these software programs no matter what Washoe County School District says.

By the way, Washoe County School District (WCSD) is the only district that we know of that has said they will not allow kids to opt out of sharing their data with these vendors. Please know, most of these vendors, the free education technology vendors, do not have contracts with the school districts. That is what the WCSD gave us a couple of years ago. These edtech vendors will end up with way more data about our children and will know much more about our children than Google and Facebook will ever know about us adults.

Two years ago there was a huge data breach with one of the biggest edtech vendors used in Nevada. Parents were never notified. Children's personally identifiable information was placed for sale on the dark web. Their email addresses, their passwords, and their student IDs were coded. Last year, the Chinese bought the entire company—that was Edmodo 100 million users. No one tells the parents any of this.

In September the Federal Bureau of Investigation put out a public service announcement warning parents and school districts about these kind of things. Washoe County School District will not tell the parents. We are in there begging them all of the time.

Before any of this ever happened, numerous entities in 2014 and 2015 wrote about how the profiles these vendors create on our children will affect their future. *POLITICO*, *The New York Times*, *American Thinker*—they are talking about the profiles, and that the parents will never see the profiles, parents do not know what kids are doing in these products.

Chris Daly, Deputy Executive Director, Government Relations, Nevada State Education Association:

We have been the voice of Nevada educators for more than 100 years. Nevada State Education Association supported Senate Bill 403 (2nd Reprint) in the Senate Committee on Education, and we continue to support the bill even as amended. We know that technology is increasingly important in education and student data privacy does not typically rise up as a significant issue until there is a major breach or high profile incident. With that said, we believe it does make sense to get a handle on this issue as we know that data is a very big part of the business model of the big technology firms.

Our national organization, the National Education Association, offers some guidance and best practices for school districts and states when they are dealing with this issue. We should develop in collaboration with parents and educators policies related to the collection, use, and safeguarding of student data and procedures for responding to data breaches and designate an office or individual for compliance. That institution should maintain control of student data and grant access only to those with legitimate education needs. Educational institutions should be transparent regarding the types of data being collected, the purpose for which it is being used, with whom the data is shared, and for what purpose. For example, those with access to student data should have clear guidelines and training regarding collection, use, and security procedures.

In addition, data mining for advertising purposes should be prohibited and data security procedures and practices should be reviewed regularly. We think S.B. 403 (R2) is a good first step and you should support it.

Donald G.T. Gallimore, Sr., Third Vice President, Reno-Sparks Branch 1112, National Association for the Advancement of Colored People:

I have been allowed to speak on behalf of the Reno-Sparks branch of the National Association for the Advancement of Colored People. This bill is long-awaited for me and for those of us who protect Nevada children. We have seen how the bill affects children. It absolutely does make them stressed. It causes all kinds of problems, maladies, physical problems, sight problems, back problems, and carpal tunnel syndrome from computer use. Basically, the data is not guaranteed to be secure. As a matter of fact, just today we heard that the Gates family and the Steve Jobs family are not allowed to use the computers at all. Why do we have our children subjected to this atrocity? This is a discussion that I do not even see why we should have it. In the old days, we used to call people on the phone or just walk over to their house. All of these extreme emergencies these kids might have are moot points in actuality. *The New York Times* and *POLITICO* are saying there is spying going on.

These kids need to get off these computers and go back to the way they were. The parks were full and everybody was happy. It is just the human way and this is kind of inhuman right now that the data controls our whole lives. It is ridiculous. As a parent and a grandparent, I make sure that I keep my kids off the computer.

Linda Buckardt, Private Citizen, Henderson, Nevada:

For the record, I support S.B. 403 (R2). Parents and guardians have to have the right to know what kind of data is being kept on their child. Many of the points I was going to make have already been made, but they forgot a couple of companies that were hacked like Target and Wells Fargo. If we have credit cards, the credit card company will notify us if our data has been hacked, but we have no rights whatsoever for our children. Our children's data has been hacked. Sometimes this data is quite excessive.

I have master's degrees in teaching and learning, and in English language learning; I am a first-generation American. I also represent NevadansCAN, a citizen action network with a database of 70,000. I really think we have to get on this. This is probably the third session we have tried to pass some kind of student protection and parental rights bill.

Lindsay E. Anderson, Director, Government Affairs, Washoe County School District:

I am happy to be here in support today of Senate Bill 403 (2nd Reprint). That is due to being able to work with Senator Denis over on the Senate side to address some of our original concerns on the bill as it was presented. He has gone above and beyond to address those concerns, and we are here today in support.

I have my chief innovation officer here in case there are technical questions that the Committee might want to go into. What we are trying to do in the WCSD is walk that really fine balance between educational innovation and the twenty-first century skills that are part of our standards in Nevada, and protecting privacy as well as our employees. We have more than 63,000 devices in the WCSD, so you can imagine how hard it is to get a handle on exactly what is happening on each one of those devices at any given moment.

I will say that Mr. Sidford gave a presentation to our school board last week, and I was the beneficiary of having to go after him and it was like two and a half hours. I want to reinforce to the Committee that this is something our school board is taking seriously, and it is something we are trying to get a handle on at the local level with the engagement of our staff, our teachers, our families, and also our educational vendors.

Assemblywoman Torres:

What types of programs would this limit or allow for? What would this look like if this was implemented today for the Washoe County School District? What would this prevent and what would this allow?

Robert C. Sidford, Chief Information and Innovation Officer, Washoe County School District:

We are actually implementing a process where we will be approving all of these tools for use in our district. We are walking that fine balance between making sure that our teachers have the teaching-learning tools that they need using educational technologies and making sure the data those companies can potentially get in contracting with us is safe. That process is going to make sure that we have the ability for teachers, principals, and our departments to make sure that these tools are approved and we can contract directly with these vendors to make sure those tools are available.

Specifically, we are actually in the process of finalizing the process for that approval. We do not have any that are currently approved, but I had a meeting this morning and will have another one on Thursday to actually finalize that process. There will be a large number there. Currently, more than 100 vendors in the system are awaiting approval. Some of those will be approved and some may not. They are being reviewed for teaching and learning and for alignment to the content standards for uses in classrooms or in collaboration and communication—all of those things as well as the legal and the purchasing contract pieces of that.

Assemblywoman Torres:

Are other counties doing something similar to that where they are getting prepared for when the law goes into effect? It seems like Washoe County School District is already doing something similar.

Lindsay Anderson:

I do not want to speak for the other counties. We did work with Senator Denis to ensure that the effective date on some of this was pushed back for a year to give districts across the state that are maybe not where we are, a chance to kind of ramp up. We are certainly happy to share our process with any other district across the state.

To go back to the original question, the types of vendors that are ultimately not going to be approved are those that have a business model where they use the data and sell it to others in order to offer a service for free. Those are likely not vendors that are going to be available to our staff through this process if their business model is based on using the data collected from students to be financially viable. I do not have a vendor name, but that is the type of thing that if it is free, they will use it themselves. That is the type of thing that most likely will not make it through our process.

Robert Sidford:

Our process is reviewing all of these tools for all of the relevant federal laws, Family Educational Rights and Privacy Act (FERPA), Children's Internet Protection Act, Children's Online Privacy Protection Act of 1998, Protection of Pupil Rights Amendment, as well as the NRS. All of those pieces are covered within there to make sure we are compliant, and those tools are compliant with all of those laws.

Juanita Cox, representing Citizens in Action; and Nevada Republican Assembly:

I spoke in support of this bill in the Senate and discussed the breach in the Washoe County School District and the danger that our children are in. Not only through the county and the United States, but now on the dark web and in the hands of China and who knows where else. These are the kinds of problems we cannot allow. We have to support this bill and stop these breaches.

Chairman Thompson:

Is there anyone in opposition to Senate Bill 403 (2nd Reprint)? [There was no one.] Is there anyone neutral to Senate Bill 403 (2nd Reprint)?

Alexandra Dominguez, Director, State Government Relations for Nevada, The College Board:

We are the national organization that administers the SAT, advanced placement exams, and other college and career readiness measures here in Nevada. Our team partners with all school districts throughout the state to administer these exams for students. We want to thank Senator Denis in advance for having worked with us on addressing some of the issues in the bill that we need a little more clarification on, specifically as it relates to the research piece. The bill stipulates that in order to do research it needs to be required by federal or state law. I want to clarify that The College Board does use student data to conduct research to make sure that the programs we administer are actually working for students and are delivering opportunities for students. We want to be able to continue doing that kind of research in-house. We just want to clarify that through an amendment that we proposed ([Exhibit C](#)).

[Comments were submitted to members of the Committee ([Exhibit D](#)).]

Raymond Medeiros, Director, Innovation and Technology, Carson City School District:

I really appreciate the intent of this bill and bringing it forward to protect our student data privacy. I am definitely not against any kind of data privacy. I realize it is very important. I do have a few concerns with this, though, and it relates to some of the questions you have had around the implementation and what that might look like for a district at the local level. There are a lot of resources that are involved in this process from providing the forms and such. We do it in Carson City in an electronic format. Our teachers will submit the resource, then the Innovation and Technology Department vet it for legal privacy. Currently it is primarily for federal compliance. In addition, this would add some state compliance vetting as well.

My concern is the fiscal impact to human resources, specifically from the Innovation and Technology Department who are vetting this for compliance. Right now I have my systems engineer and a technology integration specialist who are spending a lot of time vetting these resources, which takes away from the support they are supposed to be providing in the classroom to our teachers and students. I am not particularly fond of that impact in shifting the resources away from the classroom and over to this compliance practice.

I would like some clarification on some of the terms, hopefully, around data breach. Data breach can be anything from a student information system being breached to a teacher's lost laptop that happens to have a student image. An image or audio file are all considered personally identifiable information. Also, under FERPA, which was referenced for the definition of personally identifiable information, directory information is excluded and districts are federally allowed to disclose names and those types of things under directory information as long as they disclose that to the parents during the online enrollment process as to what they determine is directory information. Those are some of my concerns regarding the bill.

Chairman Thompson:

I would advise you to feel free to talk to the bill's sponsor about any of your concerns.

Hawah Ahmad, representing, Charter School Association of Nevada:

Before I testify as neutral, I want to specify that I am also a newly graduated law student who specialized in data privacy. Coming from that aspect, Senate Bill 403 (2nd Reprint) is very much needed. Student privacy is very important, but Charter School Association of Nevada (CSAN) is here today testifying in neutral because we have some concerns with the implementation as discussed previously.

For a bit of clarification as we move forward, we will be talking with the sponsor of the bill with regard to the limit of the use of application. In a lot of instances, when states pass new data privacy laws, two things happen—either the state has to go through or each individual entity like the school district will pick and choose what programs to use. In other cases, companies can control what data they are allowing, where they are collecting that data, and what they are doing with it.

For instance, in May 2016, the European Union established a general data protection regulation that puts minors and students as vulnerable people. What that did is create a new set of rules and regulations specific to their data so that many companies had to develop controls to ensure that their data cannot be sold.

To answer another question regarding third-party practices, that is the big issue right now in data privacy altogether. Currently, we have one state in the nation that has made a registration for data brokers, and that is Vermont. That went into effect this past summer. We are waiting to see what the best aspects are, but this is a wonderful first step—moving privacy for pupils forward.

There are a few things when it comes to implementation, creation, and compliance that from a privacy perspective and from a state where we do not have a lot of privacy specialists.

Bradley Keating, Director, Government Relations, Clark County School District:

We are here to speak about Senate Bill 403 (2nd Reprint) in a neutral capacity. We appreciate Senator Denis working with us over the past few weeks on this bill. The reason we are neutral is not because we do not like the bill or that we do like the bill. It is the fact that we believe data privacy is incredibly important. We appreciate what has been put into this bill. The reorganization—which we might talk about later today in another bill hearing—has really pushed the district into the reorganization making decisions at a local level and at the school level. With that being said, schools have had the opportunity to write their own contracts with different vendors, while Washoe County School District has a more centralized manner in how they do business here. We just appreciate Senator Denis giving us the extra time and flexibility to get to that point so that we create that list at a central level, then have the schools work with our central team to make those decisions by July 1, 2020.

Senator Denis:

I appreciate the opportunity to have this important discussion this day on how we can protect our children's data. There have been concerns about implementation and I am willing to sit down with them, and in many cases, we have already talked. With The College Board we actually sat down with staff from the Legal Division of the Legislative Counsel Bureau and figured out the proposed amendment to clarify their concern ([Exhibit C](#)).

If there are other things regarding implementation, we definitely want to work on that because it is important. In some cases they may have to put a procedure in place, but in this day and age, it is very important that we protect this data. We need all of our districts to be able to do that. We ask a lot of our districts, but I think it is something we can do, move forward, and work together to be able to protect this data for our children.

Chairman Thompson: We will close the hearing on Senate Bill 403 (2nd Reprint) and open the hearing for Senate Bill 469 (2nd Reprint).

Senate Bill 469 (2nd Reprint): Revises provisions relating to the reorganization of certain school districts. (BDR 34-818)

Senator Moises (Mo) Denis, Senate District No. 2:

I am here to present Senate Bill 469 (2nd Reprint) which revises provisions relating to the reorganization of the Clark County School District. I will give you a brief background on the reorganization.

Last session we passed Assembly Bill 469 of the 79th Session, the end result of a two-year study on how to reorganize the district. Over the 2015-2016 Interim, several committees, including a general advisory committee [Advisory Committee to Develop a Plan to Reorganize the Clark County School District], a technical advisory committee, and a community implementation council studied the district and developed recommendations for reorganizing it into local school precincts to promote greater flexibility and efficiency.

Based on those recommendations, the State Board of Education and the Legislative Commission approved regulations in September of 2016 to change the structure of the district. Those reorganization provisions were codified in A.B. 469 of the 79th Session. The most significant change effected by A.B. 469 of the 79th Session is the designation of each school in the district as a local school precinct. As such, each school operates under site-based decision-making and has the authority to carry out certain responsibilities that have traditionally been handled by the district, thereby decentralizing operations and providing more local control at the school level.

For school year 2017-2018, at least 80 percent of the unrestricted district funds were transferred to individual schools. For subsequent years, this figure rose to 85 percent.

Any time a sweeping change like A.B. 469 of the 79th Session is put in place, there are going to be situations that arise that require us to consider making modifications, recognizing that on-the-ground implementation is not always carried out as we envisioned when we passed the bill.

I requested Senate Bill 469 (2nd Reprint) to address a few areas in need of attention. I will mention that I served on the larger committee and I also chaired the Working Group on School Organizational Teams and Other Issues Relating to the Reorganization of Clark County School District this past interim. We looked at many different things that might need to be updated, but these are a couple of things that came up in our discussions. Let me go through the bill section by section and after I have been through the bill and discussed some concerns others have expressed, I will have one recommendation for an amendment.

Section 1 revises the transfer of responsibility to local school precincts by clarifying that utilities are the responsibility of the large school district. In section 1, subsection 3, there is a list of paragraphs that go from (a) through (t), and we are recommending that we add an additional paragraph called "utilities." These are the ones that have been delineated and this is where I am going to make a recommendation, even though in talking with the Legal Division of the Legislative Counsel Bureau, we think the intent is already there. However, because there have been a lot of questions, in subsection 3, right before paragraph (a), on line 20 it says "including, without limitation." There have been some who have interpreted that to mean that they could then do anything else. We think there are some other parts of the bill that actually provide protections there. What I am recommending is that we just eliminate the "including, without limitation." In effect, that creates a list of approved ways they can restrict funds at the central level.

The reason this part is important is that currently, the way they are functioning is that you have transportation, or police for example—or utilities for that matter—the local school precinct does not have any control over buses nor does it go out and contract, buy, or maintain a bus. It is the same thing with the utilities. The local school district does not have the ability to go out and contract for utilities on its own. Currently the way it is, they would not get a better deal than the district is getting. When it comes to police, they are not going to go out and hire their own police force or a security guard. It makes more sense that those

kinds of things are for the central office to do. That was what was already in the bill. We are not saying to change any of that. The only thing in that list that I am asking for is to just include utilities. As of now, the schools receive these services. The district gives them all of the money, and then the districts are creating a service-level agreement asking the principals to keep track of their police and transportation and then they get billed for it. The district has already paid for it. In essence, we are creating this process for the local precincts to keep track of all of this. What I am trying to do in this section is to say that the district is going to pay for it anyway so why do we need to have them pay for it, give the local precincts the money, and then take it back. By restricting the funds at the central level, they can take care of those services; the local precincts do not have to take care of it. We will be talking about what is left in other sections, but with what is left, they will have the ability to do what they need to with those funds.

Section 1.5, subsection 1, removes the requirement that each school's associate superintendent oversees no more than 25 local precincts. Currently, the law says that they have to have one associate superintendent for up to 25 schools. By removing that, it gives them the flexibility to do less in some, and more in others. There are in some of the areas the ability to oversee more. Currently by law, they do not have that flexibility. That is just to give the district that flexibility. They have a plan for how they think they can better provide services for these individual precincts.

Section 2.5 increases the amount of unrestricted funds that must be allocated to the local school precincts to 90 percent from 85 percent. This section also specifies that any funds necessary for a large school district to carry out its responsibilities are considered restricted funds. That list in section 1 would become restricted funds. Everything that is left is considered unrestricted funds. Ninety percent of that unrestricted fund would then be available to the local precinct to decide how they would spend it. There is 10 percent there that is unrestricted that the district would still maintain. Those are things like sports that are not necessarily required but something they do at a district level.

In essence, I asked some of the fiscal people what that really meant. What this is doing is fixing the issue of having to track stuff. Basically, they are going to get the same amount of money that they were ultimately left with before. This is just a cleaner way to do it without having to do the individual logging and tracking.

Section 3 says the district superintendent must provide disclosure related to the funds to be allocated to the local school precinct for the next school year. It provides that the allocation will be based on the district's estimates of attendance for the following year rather than being determined by the number of students attending the previous calendar quarter. That is the part of the presentation that I have.

Bradley Keating, Director, Government Relations, Clark County School District:

We have Kellie Ballard and Jason Goudie down south who can walk through what these changes actually mean specifically for the district. We also want to mention one other thing that will be discussed. There will be a proposed amendment that we consider to be a friendly amendment ([Exhibit E](#)).

Jason Goudie, Chief Financial Officer, Clark County School District:

We believe in the purpose behind the Clark County School District reorganization, which, among other things, is to allow more decisions regarding budget and day-to-day operations to be made at the school level closest to the students and to improve the customer service provided to schools by central services. With these proposed changes, school organizational teams (SOTs) would remain in place at every local school precinct giving parents, students, staff, and community members an opportunity to advise the principal regarding the school budget and other items. We have also transferred the central services that principals most want to control including custodial services and a pilot program where they can utilize dollars previously devoted to technology assistance.

We are committed to expanding the process of providing as many items as possible into the school strategic budgets. For example, we will be exploring the possibility of including the cost of substitute teachers in the school strategic budgets, which I will discuss a bit more shortly.

I want to be clear. The intent of the language is to build on the items of the reorganization that are working and adjust the items that are not working, just as we would do with any other major initiative.

The Clark County School District has been cooperating with the former state superintendent, the current state superintendent, our employee associations, and other stakeholders to implement this law with fidelity, recognizing its importance to improve student achievement for all students.

I thank Senator Denis for discussing the items on utilities. Essentially, utilities are asked to be added, as he mentioned, because primarily none of these items can be opted out by schools and this becomes an exercise in additional requirements of both the school principal as well as the school district at no additional benefit to the schools themselves for academic performance.

Additionally, there is the suggestion to increase the split to 90/10 as part of our continued effort to provide additional funding to schools. However, it is already a significant challenge for the district to identify the services and funds to transfer to schools to mathematically meet the 85/15 requirement. Senator Denis made a very good point on this and it relates to the transportation and utilities components. We do believe that we should look at the value of the services provided to schools and the service level agreement (SLA) process and transfer those services that best support the principals rather than transferring services and funds to meet this percentage threshold.

Kellie Ballard, Director, Office of the Deputy Superintendent, Clark County School District:

I would like to talk about the ratio of school supervisors to school associate superintendents. The implementation of these positions was one of the very first requirements of the reorganization that we implemented even before A.B. 469 of the 79th Session passed in 2017. We developed, advertised, and filled those positions in the fall of 2016 in order to be in place for the school plan development cycle, the first which began in January 2017. At that point, we reorganized the district into 16 performance zones, each led by an associate superintendent. At that time, we were governed by the *Nevada Administrative Code* authorized by Assembly Bill 394 of the 78th Session.

As part of the organization, those school associate superintendents were implemented to support what we all referred to as a school-centered organizational model. When we say that, we speak to a model that ensured that schools' main focus could be on meeting the needs of students. However, we found over the past two years that schools have been experiencing a wide variety of interpretations between those 16 school associate superintendents, and that created a barrier for them to this focus. We knew this was a risk at the very beginning. We attempted to mitigate that risk by pooling the school associates all into the same building and by including them on the superintendent's executive cabinet so they could be involved in district-level decision-making together. Unfortunately, schools continued to report challenges in communication between schools and the central office, and inconsistency in expectations from one performance zone to another.

When our current superintendent, Dr. Jesus F. Jara, came onboard last summer, he executed a whirlwind listening tour across the district, and many of these challenges came to light. To support, we pooled data to try and shine a little further detail on what could be causing the problems, and we really confirmed a handful of things. In terms of the students and staff at schools, not all of them have the same level of need or require the same level of support from the school supervisor.

The grouping of the schools in the performance zones at that time were not at all balanced in terms of the level of support that was required from leadership. Schools were not consistently grouped with feeder patterns, which created a problem for us—that is elementary schools and middle schools and high schools where the students matriculate up through their years and we recognized the importance of vertical alignment in support for students as they move through their K-12 education.

Finally, we found engaged community leaders did not have a single point of contact with whom they could engage at a level close to the school communities within their municipality at a time when engagement and public education was, and still is, clearly a high priority for many of our local government leaders. With this information in hand, Dr. Jara envisioned a tiered system of support for schools that allows us to respond to the specific needs of the

school and the leadership capacity of the school supervisor using data related to student performance, trauma, attendance and discipline, as well as teacher and leadership capacity at the school. We developed a school supervision model based primarily on feeder alignment, a balance of school needs, and municipal boundaries—in that order.

With the authority to monitor the implementation of the reorganization and the Office of the Superintendent of Public Instruction within the Department of Education at the state level, Dr. Jara reached out to then-Superintendent Dr. Steve Canavero to discuss these plans and his observations. Although Dr. Canavero found that the law is very specific as to the number of schools assigned to an associate superintendent, the tiered system of support that Dr. Jara envisioned for the district was consistent with other specific sections of the law that enumerate his responsibility and the specific responsibility of school associate superintendents.

That is an outline of what we have learned over the past two years and how that aligns with section 1.5 of Senate Bill 469 (2nd Reprint).

Jason Goudie:

There have been a number of concerns that have been raised regarding section 2.5. I want to go through and try to alleviate a lot of the concerns and maybe some questions that have arisen.

We have heard from many principals that, ultimately, they do not want to control most of the systematic or systemic operational decisions. They want us to provide them with quality service so they can focus on their role as instructional leaders. They and the district understand the need for additional funding in the schools. However, simply moving services that are performed by central services in the schools with both the requirements to continue performing the services and providing the current funding does not actually provide the additional funding they need. Today we are proposing language to support our principals and instructional leaders while still respecting the original tenets of the reorganization to provide more local say in the decisions at school campuses.

We also seek to clarify some of the requirements of the law that we believe are self-contradictory and create another layer of bureaucracy. We have found a contradiction in what is now *Nevada Revised Statutes* (NRS) 388G.610 which requires central services to provide the services as outlined in section 1, subsection 3, paragraphs (a) through (t), originally, and paragraphs (a) through (u) under this proposed change, yet those dollars essentially count against the district in the required split between district services and school strategic budgets.

We believe that this language will clarify the understanding that if the services listed in paragraphs (a) through (u) are required to be formed in the district then they are restricted by definition. Once again, I do feel that it is important to say that our proposed language is not intended for the district to take away money from the schools. Just because the items listed in paragraphs (a) through (t) are restricted does not mean that the district will not still transfer

responsibilities to schools or maintain these responsibilities at schools. For example, the district will commit to keeping landscaping as an SLA due to the number of discussions the principals have had on the subject. There are also four services that were previously in service-level agreements that we will be funding directly in to school budgets in the 2020 budgets which show we are working toward moving the funding to schools themselves. Additionally, we will be recommending to the Clark County School District Board of School Trustees, as I mentioned earlier, an additional transfer of responsibilities related to substitute cost and the transfer of that funding for the 2021 budget as we believe these processes and funding will be best utilized under the principal's supervision. In fact, we are committed to the SLA process in working with the principals to ensure a proper balance between their focus on instructional leadership and their focus on managing the operations at their school.

However, there are two specific SLAs we would like to remove in this process, which are the transportation SLA and the utilities SLA. As Senator Denis mentioned, it is not practical or reasonable to put the burden of managing the transportation agreement on the principals as they do not have the ability to operate a stand-alone transportation department at each school. Additionally, the schools cannot opt out of utility agreements with NV Energy, Southwest Gas, or other providers of utilities. The creation of these SLAs and the transfer of funds to the schools to mathematically meet the 85 percent requirement requires a principal to dedicate time and resources to these processes with no additional benefit.

I also want to address a concern that this proposed language would somehow affect federal dollars going to schools. The money in the school budgets affected by this bill are only addressed through the general operating fund, and our federal dollars are not part of this reorganization and would not be affected at all.

In the end, what will improve service provided to schools is additional funding for employee wages, materials, and programs to be utilized by instructional leaders. We have cut approximately \$130 million over the past two years, and many of these cuts have come directly from schools or services provided directly to schools. We ask that you consider this language as a way to continue improving the reorganization. Please let principals spend their time as instructional leaders, and we will continue to work with principals and other leaders to improve services and seek additional funding so that our principals have the resources to ensure all students succeed.

The next section I would like to discuss is section 3. This change is in alignment with Assembly Bill 88 which will allow the budget on a forecasted enrollment rather than the prior quarter enrollment number reported to the state. The ultimate goal is to ensure that we can utilize the best information available to us to build budgets for the schools. Additionally, we do adjust every school budget to the actual enrollment on our count day, which is the Friday after Labor Day to reduce the risk around estimates.

The most appropriate way to budget is to utilize a forecast of the expected enrollment for schools and districts, and this is used by both the state and how they build their budget, as well as the other districts within the state. This allows us to use properly utilized key information such as population growth or shrinkage, including birth rates, transiency within the school district, construction growth, home development, movement in populations throughout the district, and macroeconomic factors of the community.

I have also reached out to a number of other districts in Nevada to ensure that they believe this is the correct way. I reached out specifically to Washoe County School District, Carson City School District, White Pine and Nye County school districts, and they all confirmed that this was the appropriate way to forecast enrollment.

We also received a great suggestion from Assemblywoman Dina Neal, Assembly District No. 7, to have our demographics team put together information for the public on how the enrollment data is developed and communicate that information to the public and on the website. We will begin putting this information together as soon as possible.

Chairman Thompson:

Even though I was here, the majority of the work was done in the interim before we came back in 2017. Where did we originally arrive at this 85/15? Was it just something arbitrary? How did we base this?

Kellie Ballard:

It is difficult to pinpoint how that number came about. We searched and searched for the source of that figure in the testimony from all of those committee meetings—both the Community Implementation Council and both of the Legislative committees—and found no source whatsoever. We, as a district, consider it an arbitrary figure.

Chairman Thompson:

I understand that you have gotten input from principals and others, so how do we know that 90/10 is going to make things better or potentially worse?

Jason Goudie:

That was exactly why I mentioned in my part of the testimony that there is some concern around the 90/10. We had to work very hard to identify specific services that could be transferred. Two large ones, as an example, are utilities and transportation, and together those two represent almost \$140 million. In order to meet that 85 percent threshold, we had to include those as service-level agreements, which then requires the principals to engage and understand and work through those agreements as well as the districts themselves, when in fact, there is no additional benefit or funds that would benefit the educational system of those schools. I do not know if the 90/10 solves an issue, but it provides some more assurances that we are going to continue to try to provide more and more funds to the schools, which is the overall objective, while still maintaining the financial integrity of the district to maintain the services that we are required to maintain.

Chairman Thompson:

Does section 1, subsection 3, paragraphs (a) through (u) represent 10 percent? Then the 90 percent is what is left for the schools and the SOTs to administer and determine based on the needs for their school community?

Jason Goudie:

No. Essentially, the way the calculation works is that we utilize our general operating fund as a starting point, which is the amount of the general funds that we receive as well as special education funds. Those are the two funds that ultimately fund our daily operations of the schools. The components that are restricted are either restricted by law, such as the special education funds, and those amounts are separated out. Additionally, these items themselves would be placed into a restricted category which essentially would reduce the amount of funds from that ultimate general operating budget and at that point, 90 percent of the remaining funds which would be restricted would be required to be distributed to schools. These components would be considered part of that restricted category so they are actually a precursor to the calculation itself.

Senator Denis:

Basically, all of these items that are on here would be taken out first, then what is left, 90 percent of that is what would go to the local precinct, with 10 percent being kept by the central office for the other things like sports and those things done at the district level.

Assemblywoman Miller:

I have a question that has been brought up by all of the presenters as we are referring to the services from section 1, subsection 3, paragraphs (a) through (u) and the clarification that you want to add to amend to include utilities. As you mentioned before, there is always legislation, then there is the reality of what actually happens in how it is implemented or how it is misinterpreted. We also had a presenter mention that in all of the different zones there were differences in interpretation. While we are here trying to adjust some of the challenges or some of the gaps in this legislation, there have been schools that have actually paid for, out of their funds, some of these items in paragraphs (a) through (u). Would the schools have the ability to go back to the district and be refunded for those services?

Kellie Ballard:

If I understand you correctly, if a school has purchased a service that is in the list of paragraphs (a) through (t) or (u), in addition to what the district provides, would the district reimburse the school for that purchase? The answer would be no, if I understood your question correctly.

Assemblywoman Miller:

The question was, actually, if the district informed the schools that the district would not pay for a service, because the schools had control of their budget and the districts no longer provide those services, then the schools have to scramble to come up with the money for

those needed services. According to this legislation, would the schools be able to go back to the district and be reimbursed for the services that the district should have covered to begin with?

Kellie Ballard:

I think the piece we are missing that we have not talked about today is when we choose to transfer a responsibility that the district is paying for to the schools, we are also required to transfer the amount of money that the district would have paid for that service. That is an action that the Board of School Trustees has to approve. We have a process where we collect feedback from principals, school associate superintendents, and school organizational teams about the additional responsibilities the superintendent should consider recommending to the Board. Each year the Board of School Trustees has acted on that and transferred additional responsibilities—some of those new service-level agreements—but in any case, the funds that we spend as a district are transferred to the school strategic workbooks for that service.

Senator Denis:

Let me point out something quickly. The amendment that I am recommending that I presented verbally today, on page 3, line 20, occurs where it says, "without limitation." By removing those words, it then says the district has to provide those things on the list. If in the past they did not, this would then require them to provide those services on the list.

Assemblywoman Miller:

Again, I am not referring to the district having given the funds for this service and, therefore, the school is responsible. I am referring to the district not having given the funds. The services were supposed to be provided by the district, they were not, and the school was told that they are responsible. We have lots of schools with lots of SOTs in the district. Under these scenarios would those schools be able to get reimbursed for what they paid for that should have originally been provided through the district?

Senator Denis:

I would think that if you are looking into the future, and this gets passed, are you asking if they then have the ability to go back?

Assemblywoman Miller:

Senator, I am asking for the past. Things that have already occurred.

Senator Denis:

You are talking about something that happened in the past, and if this bill were to pass, would they then have the ability in the future to come back and ask for reimbursement. Is that what you are asking?

Assemblywoman Miller:

Actually, Senator, I am asking that since this is existing language, do they have the ability to go back, since we are here clarifying and putting things on the record. That is what I am asking.

Senator Denis:

I am not the one to answer that, because I did not address that in the bill.

Bradley Keating:

The district would not go back and repay the school for the service. In our conversations with the Legal Division of the Legislative Counsel Bureau (LCB), this list of (a) through (t), the idea has always been that it was restricted and that the district was supposed to provide the services to the schools. However, with the wording that includes "without limitation," the list there did not require the district to provide those services in any way. We could have added items or deleted items. Legal at one point said that we did not even have this list in the bill. Our hope, by taking those words out, is that it requires the district from here on out to make sure that (a) through (u) are funded and that we are providing those services.

Assemblywoman Peters:

With "including, without limitation" means not including all; you can take and remove?

Victoria Gonzalez, Committee Counsel:

"Including, without limitation" means there could be additional items. If that language is removed, only those items listed in (a) through (u) or (a) through (t) would be the items that would be the responsibility of the district—and could not be added to.

Assemblywoman Peters:

In its current state, you cannot not cover those items?

Victoria Gonzalez:

I will have to look into that. It is a good question.

Assemblywoman Tolles:

First and foremost, as I am reading this, I am trying to track the history of the amendments. We have as introduced, first reprint, and second reprint, so the bill as introduced had this list in section 1, subsection 3, paragraphs (a) through (t). As this bill was introduced, we did not have this long list of (a) through (t). Is that correct?

Senator Denis:

The existing law already had that list. It had (a) through (t). That is what you are seeing in section 1, subsection 3, paragraphs (a) through (t). We just added utilities as paragraph (u).

Assemblywoman Tolles:

This was just a matter of adding more clarification to the additional reprints that included the paragraphs (a) through (t) list. It was not adding paragraphs (a) through (t), that was already in the law, it just happened that as introduced text, it was not included. I think some people concluded that in the amendment process we were somehow adding that (a) through (t) list,

but that is not the case. Paragraphs (a) through (t) already existed in statutes. Nothing in this bill created the (a) through (t). This bill only added the additional piece of utilities [paragraph (u)]. Correct?

Senator Denis:

That is correct.

Assemblywoman Tolles:

I certainly appreciate the chief finance officer's preemptive addressing of the concerns that have been raised. It seems to me as I read section 2.5, we are actually increasing the amount of local control from 85 percent to 90 percent, unless I have that completely backwards. It seems to me that we are increasing from 85 percent to 90 percent that which is unrestricted now. Am I reading that correctly?

Senator Denis:

The answer is yes, but a conditional yes, in that the number is changing from 85 percent to 90 percent, but the actual amount of money is not changing. All of the restrictive items are being taken off the top; they are getting 90 percent of what is left. Whereas before, it was the whole amount and they were getting 85 percent of the whole amount. In essence, they are still getting the same amount of money, they are just not having to track all of those items that were restricted that they had to pay for anyway, so they did not really get to spend it—the police and transportation are services they were getting and having to pay back the district to get those services. This takes that off the top and the school is getting 90 percent of what is left.

Assemblywoman Tolles:

Essentially, what it sounds like you are trying to do is streamline this process from what was being given to the school, then having to be given back to the district, which is turning into a lot of tracking, and not necessarily more control for the local schools.

Senator Denis:

That is correct.

Chairman Thompson:

The principals are a big part of this, and I heard Mr. Goudie mention that principals gave a lot of feedback. Do we have any formalized input from the principals where we have tracked from the principals and the organizing teams to make this better? Do we have some collective data on what is really working and what is not?

Kellie Ballard:

I talked earlier about how we have an annual process where we reach out for information from principals, school associates, and SOTs related to additional items that they would want to see transferred from central office to the school-level control. We have done that every year. I do not have that data with me. Overwhelmingly though, not all principals, but a very large majority of principals, tend to not want to do this tracking and want to be instructional

leaders and they might not have an operations manager on their staff. That started before we even began implementing the reorganization. There are principals who are on the opposite end of that perspective where they believe that even the operational decisions could be handled better at their school site, which could free up funds for them to use to be an instructional leader. That number is small and varies by topic. For example, when we first asked for the Board of School Trustees to transfer the school site-based technology support component, a handful of school principals—fewer than 20—wanted to be involved in the pilot and to try it out. The rest of the principals wanted nothing to do with it and wanted to continue with the way we were working. That is about as broad as we get with our feedback from principals and SOTs, but it has been pretty consistent and pretty clear for us as we move forward. We still continue to use the most frequent responses with relation to the current service-level agreements in terms Mr. Goudie mentioned earlier—moving from a service-level agreement to actually pushing that money into the strategic workbooks and allowing the principals to do with that money what they will and support that responsibility how they will without the district at all. We continue the process to kind of move the responsibilities down as we hear from principals throughout the year.

Chairman Thompson:

We will open for support for Senate Bill 469 (2nd Reprint).

Chris Daly, Deputy Executive Director, Government Relations, Nevada State Education Association:

We have been the voice of Nevada educators for over 100 years. Nevada State Education Association, once again, supports Senate Bill 469 (2nd Reprint) to help protect vital school support services provided by education support professionals. As amended, S.B. 469 (R2) restricts the money necessary for Clark County School District (CCSD) to carry out responsibilities not transferred to individual school sites. These services include transportation, food service, services to ensure equity and diversity, maintenance and repair of buildings, and custodial services. These important services are provided by education support professionals for a critical component of the family of educators in our schools.

Our students are complete human beings with a range of needs that must be met so learning can take pace. Transportation professionals make sure our kids arrive to school safely in the morning and return home the same way. Nutrition professionals make sure no child is trying to learn on an empty stomach. Custodial and maintenance keep the learning environment clean and safe.

Nevada State Education Association, along with the Education Support Employees Association, has consistently advocated to protect the important services provided by education support professionals. We are encouraged that S.B. 469 (R2) will address concerns of unintended consequences of the CCSD reorganization.

Stephen Augspurger, Executive Director, Clark County Association of School Administrators and Professional-Technical Employees:

We are here today in support of this bill; it is done with some hesitation simply because this bill, as has been evident here today, is a very controversial bill. There are many different opinions from different principals about how this should work. I do think that the changes here are important changes. The supervision ratio is important. That is a change that needs to occur. The addition of utilities onto those areas of requirement to the school district are also important.

We recently had an elementary school with a water main break and were presented with a \$3,000 bill by the district that they had to pay out of their strategic budget. Those are things we all want to avoid.

I appreciate Mr. Goudie's comments about the evolution of this and trying to respond to it. Nothing stays the same—everything changes. This a very complex process. We are in support of this knowing that there is very much a difference of opinion between many of our members about this bill.

Chairman Thompson:

We will go to opposition for Senate Bill 469 (2nd Reprint). We will begin in Las Vegas.

Ed Gonzalez, representing Break Free Clark County School District:

We have someone speaking in Carson City if we can go there first.

Annalise Castor, Co-founder, Break Free Clark County School District:

Our group formed in 2015 when we were watching the education hearings and we saw the plan for reorganization of the Clark County School District. When we saw this, we realized that this would be a great opportunity to gain more local control and local decision-making abilities for our schools.

We formed a board of surprisingly unique groups of people from all different areas of Clark County. We really were involved in the process of putting together SOTs, having parent-teacher representations, and we felt really happy with the end results of what the reorganization was meant to be.

From there, we hit our peak when we watched a Facebook Live video where we had 10,000 views in Clark County alone. We are not a paid group; there is no money involved. We are just community members coming out trying to help with education.

We have come out of the shadows to really talk about this issue right now because we want to strongly oppose the new language in section 2.5 that could exempt hundreds of millions of dollars in CCSD's budget that is currently required to go directly to schools. I am here speaking for people who cannot. I am here for teachers and parents from Rancho High School, Sunrise Mountain High School, Desert Oasis High School, Bonanza High School,

Hyde Park Middle School, Lilliam Lujan Hickey Elementary School, Marshall C. Darnell Elementary School, Gilbert Academy of Creative Arts, and many others that did not feel brave enough to say their names. We can respect that.

As one side note. They talked a lot about 85/15. We have been through the whole process. We were here from the beginning and I do not remember where it originated, but I do remember who felt passionately about it, and that was Mike Strembitsky [consultant to the Advisory Committee to Develop a Plan to Reorganize the Clark County School District].

Ed Gonzalez:

I am also with Break Free CCSD. To give you some background, I was a staffer in the 2015 Session. I worked on the original reorganization bill. I am also a member of the Hickey Elementary School SOT in east Las Vegas, and Robert L. Taylor Elementary School in Henderson.

The reason for my opposition is section 2.5. I have submitted an amendment to strike that language ([Exhibit F](#)). The reason is because we are starting to wall off money from going directly to schools. It undercuts the whole intention of the reorganization. It was intended to put more money down into schools.

This is not a new argument. We have had this argument continuously since 2015. Every time the Legislature has been clear on this matter—they want the money to go directly to school budgets so educators, parents, support staff, and principals can determine where that money goes. This has not happened yet. We still have not implemented most of this law.

To highlight that even further, there was a regulation recently passed or approved by the Legislative Commission. In section 6 of LCB File No. R036-18 ([Exhibit G](#)), it states precisely how these SLAs work and how those dollars get transferred into schools. Once we start walling off money, schools do not have control of those dollars and the SLA is not just about money and buying services. It is a contract. That is what past superintendent Dr. Canavero has said—this is a contract that schools have and what their expectations are. We will have a member talk about that and why transportation is important.

Plus, this is completely unnecessary. We have to go through the process before we start seeing what is doing well and what is not. If they are not going to pass down these dollars, individual school board members in the CCSD have said they will not pass down these dollars. I appreciate the comments by district staff, but that decision is ultimately up to the school board who has been openly hostile to this whole process. Six times since 2015 they have tried to either repeal the bill, undermine it, or pseudo overturn it. The concern we have is the fact that if these dollars do not go down to schools as required under the law, it will not happen. We have had this numerous times.

That is why I am opposed to it and I think that section 2.5 should be stricken from the bill. It has been stricken before if you look at the bill. Section 2 was essentially the same thing and I opposed it in the Senate as well for that reason. We never had a conversation about this

in great detail and I think given the lateness of the hour in the session, this might require more study, but we do not have a reason to do this. This is a complicated issue.

Chairman Thompson:

Have you spoken to the bill's sponsor about the amendment? That is required in this Committee. I like people to go directly to the bill's sponsor and see if they accept the amendment or not. Have you had a chance to do that yet?

Ed Gonzalez:

I submitted this amendment to the Senate. I have reached out to his office and I am more than happy to talk to Senator Denis. I know he is a busy man with many bills, especially with things like the funding formula. I am more than happy to talk to him, but I have not had an opportunity, and I have reached out to his office.

Chairman Thompson:

We would need that to happen in order for the amendment to be considered. That is how we do it.

Being that you said you helped work on this, could you clarify again what we are trying to figure out regarding the history of the 85/15? Are you saying you would rather it just remain at the 85/15?

Ed Gonzalez:

I know former Assemblyman Stephen Silberkraus could answer that, but my understanding is that we were seeing how we could put the maximum amount of dollars to put down into the district. Annalise Castor spoke earlier about Michael Strembitsky. He is the facilitator behind the reorganization, and he is the one who, I believe, recommended it, but he would know more because he also served on the committee with Senator Denis.

Stephen H. Silberkraus, Private Citizen, Henderson, Nevada:

I was one of the primary sponsors of Assembly Bill 394 of the 78th Session, the original bill that started the reorganization of the CCSD. I was also a member of the interim committee that developed the plan for the reorganization.

The reorganization is based on the premise that we should push more dollars and control out of the CCSD central office and back into the schools and classrooms where decisions could be made by principals, teachers, support staff, and parents—the people who truly know what their schools need to improve their kids' educations.

I can tell you now that during our many interim committee meetings in developing the reorganization plan, we listened to many subject matter experts. None of them suggested that the way to push money out of the central bureaucracy and back into schools was an attempt to exempt most of the central office dollars, such as proposed in section 2.5 of this bill. This is clearly a self-serving move by a central administration that is more focused on preservation of power than the interest of its students and staff.

In its current form, this bill will harm our schools, it will harm our teachers, and most importantly, it will hurt our children. When you allow this money to be retained at the central office, as section 2.5 allows, we will see individual school budgets decrease. Do not let the protectionist nature of the CCSD central office put their self-interest before that of our schools. The district's leadership has fought at every step to avoid implementing and following the law. This is now their sixth attempt to exempt themselves from the law. Do not let them steal away our children's opportunity for better schools with increased local control.

I will be glad to make myself available to any member of the Assembly Committee on Education who would like to further discuss this bill or the historical intent behind A.B. 394 of the 78th Session.

Byron Brooks, Private Citizen, Henderson, Nevada:

I am a member of the Neil C. Twitchell Elementary SOT. I am here also representing Power2Parent. You have heard a lot about how the changes in section 2.5 will take money out of individual school budgets, and I agree with those statements. However, I would like to focus on something else, and that is the new relationship that the reorganization brings between a school and the central office. For the first time since the process began four years ago, we are having dollars for transportation, utilities, and other services being placed into our school budgets. Although, at this current time, it is really for information purposes only.

We also have an SLA that is essentially a contract with the central office on what is expected from any service provided by the district. This is a newer way of getting things done and the point of the reorganization.

The *Las Vegas Review-Journal* wrote that Twitchell Elementary School has one of the highest late bus rates in the district. The Clark County School District is challenged in terms of getting our kids to school on time and picking them up from school on time. Students who ride the bus are missing opening statements, the Pledge of Allegiance, and run behind for any after-school activities. Needless to say, student achievement is negatively affected by tardiness.

As an SOT member we are hoping that we can have a real conversation about why this is happening because we have a contract and we should be able to ask for changes. This is one way that the reorganization changes and shapes the dynamics inside the district. However, section 2.5 would, in effect, seal off transportation dollars from schools. If this is done, my concern is that the SOT and other active parents will lose their voice in how this is being assembled. The only way to get service-level agreements is when those dollars are transferred to the schools to begin with.

Chairman Thompson:

I would like some clarification regarding a statement that you made. If I heard you correctly, Mr. Brooks, could you restate what you said about transportation? Could you please repeat what your question was? I know you said section 2.5, but it is my understanding that transportation service is section 1, subsection 3, paragraph (b).

Byron Brooks:

It still has to do with the trickle down of money from the district to the schools. Part of that would be transportation.

Christy Ruffolo, Private Citizen, Las Vegas, Nevada:

I am a teacher and I am also the SOT at a Tier I, Title I school where I work here in Las Vegas. I am here today because many educators at my school have reached out to me, shocked about some of the language in Senate Bill 469 (2nd Reprint). I support the reorganization, but I strongly oppose S.B. 469 (R2), as does my SOT vice chair due to the inclusion of new language in section 2.5. That language undermines the entire intent of the reorganization by allowing CCSD to take hundreds of millions of dollars out of our budgets by changing the definition of "restricted" and "unrestricted" dollars.

They are taking budget decisions away from those most closely connected with the individual needs of students in schools such as administrators, as well as the teachers, parents, and community members like myself who vote on what we know is most beneficial to our school community. The idea behind the reorganization is to push more dollars out of the central office and into the classroom so that those nearest to our kids have control of those dollars. This allows for schools to have more autonomy over the dollars if they choose to.

There is a huge disconnect between central office and many schools in CCSD. We all know that we are a very large district. Letting our money be taken from us will disrupt the autonomy of our schools and ultimately do a disservice to our students.

The new language in section 2.5 labels 40 percent of CCSD's budget as off-limits to schools. It is hard to push money down to schools when so much money is excluded. Even though the bill does increase the amount of unrestricted money from 85 percent to 90 percent, ultimately, it still means the schools will get less money. For those reasons I oppose this bill.

Elena Rodriguez, Private Citizen, Las Vegas, Nevada:

I am going to read a statement. I support Clark County School District's reorganization, but I oppose Senate Bill 469 (2nd Reprint) which is being touted as a few technical changes to the CCSD reorganization. The inclusion of this new language in section 2.5 really undermines the intention by allowing CCSD to take hundreds of millions of dollars out of

our school budget by changing the definition of restricted and unrestricted dollars. I oppose S.B. 469 (R2) as long as it includes this language in section 2.5. I am asking you to support an amendment that would strike out the following provision in section 2.5, subsection 1(a)(3): "Is necessary for the large school district to carry out its responsibilities pursuant to subsection 3 of NRS 388G.610."

The philosophy behind the CCSD reorganization was to move those dollars, as the previous speaker mentioned, from the central office into the schools so that it is right where it is needed. Ultimately, this would take that away, in essence, destroying the law.

Language in section 2.5 directly undermines this. It will mean 40 percent of CCSD budget is off-limits to schools. I do not know if you understand that the CCSD's entire budget is about \$5 billion per year, so whenever CCSD is allowed to retain more money at the central office, we see individual school budgets decrease even though the bill will increase the amount of unrestricted money from 85 percent to 90 percent.

This bill is not technically a fix. The clause in section 2.5 effectively destroys the entire premise of this CCSD reorganization. Most of the original law, at this point in time, has not even been implemented in the four years since it was passed, and CCSD should not be rewarded or excused for failing to follow the law.

Chairman Thompson:

Please feel free to reach out to Senator Denis with your proposed amendment. He is the sponsor of the bill.

David Gomez, President, Nevada Peace Alliance, Las Vegas, Nevada:

I am also a former SOT member of Rancho High School. I have six children and I am also the former member and president of the Waak-Up Westside Action Alliance Korp Uplifting People with Marzette Lewis. I am also the deputy director of LULAC [League of United Latin American Citizens] for education here in Nevada.

I am confused when you start scratching things off, like section 1.5 where you remove these school associate superintendents. I believe it comes down from legislation to education, then it is removed. It does not work the other way around, so it is almost like they did it in reverse. If I go into west Las Vegas and pull a weapon and threaten people, I would go to jail, but if somebody violates the law, which is here, obviously it is okay.

Then we look at all of this money that is going to be removed from the schools. They talk about hiring substitute teachers—I heard our chief financial officer talk about hiring substitute teachers—substitute teachers is \$50,000 less. Where does that additional money go? When they have this thing they actually call—that does not exist—a slush fund somewhere, it then creates these gaps. They actually never give the money back to the school when the school actually hires a substitute teacher.

When you start looking at all of these different things that are going on, they have been in opposition of this for the longest time—Clark County School District. I am in opposition of this, period. I did talk to Senator Denis and Mr. Bishop. We did have a 16-minute conversation about this and he did explain some things to me which I still do not understand why it is and what we need to do.

As a parent of six children, I also talked to the principal of Rancho High School, Dr. James Kuzma, and he did inform me that he did not have a problem with the utilities issue. He said, "It is what it is. We do our job and we do it effectively." They actually lost a big cut and they still did very well. Amelia Pak-Harvey of the *Las Vegas Review-Journal* wrote the article on them.

Kenneth Rezendes, Private Citizen, Las Vegas, Nevada:

I am just a community member. I am not part of any club, any organization, or anything that has asked me to be here today. I would like to start by saying that it is my opinion that the feedback from the principals that has been shared today has a lot to do with poor training on behalf of the Clark County School District and a lack of understanding of what the SOT committees can and cannot do. As a community member, I served on the first SOT committee at Marshall C. Darnell Elementary School. I think I am safe to say that even today, very few principals and SOT committees know what they can and cannot do.

We all need to remember that when this bill was passed, it was passed with bipartisan support. This was not one party. It was bipartisan. The intent behind the CCSD reorganization was to move dollars out of the central office and into the schools, closer to our kids, so parents, principals, and teachers would have a voice in the school budget process, the ultimate goal being to increase school autonomy. Each school is required to have an SOT committee that has a voice in the process of how school funds are used and that they are used properly. The law is written, in part, for the need for transparency and accountability, which has been absent from Clark County School District for decades and has been needed for a long time.

The reorganization of the district and SOT committees within each school is a good start, but I will be the first to tell you that training and implementation has been anything but smooth. With the current law, we now have at least an appearance of transparency while the funds come to the school and then get taken back, and the SOT committees at least have an understanding of where the money is supposed to be going and why they are not getting it.

The language in section 2.5 goes directly to undermine this by labeling 40 percent of the CCSD budgets as off-limits to schools. These funds appear to be an increase but, in reality, the overall funding and freedom to do what is best for the schools is going to be taken away.

Jessica Jones, Private Citizen, Las Vegas, Nevada:

I will not reiterate things said by previous speakers in opposition, but I do sit as the vice chair of my school's SOT at Hickey Elementary.

One of the things that has not really been mentioned so far is that when dollars are moved down to the schools, it changes the dynamic of the service. When our schools have control of these funds, we have more of a say on how that service is provided back to our school, if we choose to buy it back.

Clifton Berry, Private Citizen, Las Vegas, Nevada:

I have sat through a lot of meetings. I am a former SOT member of Lewis E. Rowe Elementary School and from the beginning of this SOT, the bill—the law—I have sat with Senator Denis and other senators in the committee meetings. To me, as a member of this coming in, it just has not reached the parents. Everybody is coming up here, and we are talking about educators who are begging for money. We are talking about SOTs which have not been formulated correctly and are out of compliance, in my opinion. I sat on the boards and helped make decisions and I sat in a room where people did not even understand. We are trying to change something that has not even been implemented correctly. I ask, where is the compliance officer? If we are going to change it, who is going to keep things in order? Who is going to maintain it? Those are my questions because we are talking about changing something that has not worked from the beginning. Why has it not been working from the beginning? I went to CCSD and I tried to get all of the parents' information from the SOTs. Where is that information? Who has access to that? Who has access to all of the SOT members? Not just the teachers, support staff, or administrators, but the parents. The high schools and middle schools are supposed to have a member on the SOT.

Chairman Thompson:

If you need to reach out to anyone from the Clark County School District, you can contact my office and I can try to direct you to your area superintendents who would be able to have some of that information you discussed. I do not want you to leave here feeling like you cannot get some of those questions answered. Thank you for coming today.

Is there anyone else in opposition to Senate Bill 469 (2nd Reprint)? [There was no one.]
Is there anyone neutral to Senate Bill 469 (2nd Reprint)?

Alex Ortiz, Assistant Director, Department of Administrative Services, Clark County:

I want to first thank the sponsor to whom I spoke regarding our proposed amendment ([Exhibit E](#)), and I want to thank him for accepting that amendment on our behalf. For the past two years, our board of county commissioners has received a report from the Clark County School District on their reorganization efforts on a quarterly basis. We understand that the reorganization process has come a long way, continuously fine-tuned as we hear this today as well. However, since these school reports, at least with CCSD, the focus has been on other issues in addition to the reorganization, or not as much on the reorganization, as time has gone by.

We request to remove "counties" in this case, and only specifically Clark County, as it only applies to Clark County from receiving this report.

The amendment we have proposed actually only amends NRS 388G.630, which is not currently in the bill, but it does fall within the realm of this bill. We believe it is germane to this bill as well.

Chairman Thompson:

We will bring Senator Denis up to close us out.

Senator Denis:

I wrote a lot of notes so I will try to clear up some things. For the record, not only am I also a parent of a student at Rancho High School, I have also been a member of the committee that implemented this over the past four years. We have spent many hours in making sure that the reorganization language was correct.

I will also point out today that we have spent more time in this hearing today than was spent actually approving the whole reorganization. Anybody who wants to talk about how much time we need to spend making sure things are vetted right, we spent probably four times as much time today as was done in the original bill that was passed in 2015. My intent is not to change the intent of the original reorganization. I voted for it, and I supported it through the interim, and we worked together to agree on things that would work. My intent today was to try to make it easier to implement what was going on.

The reason section 2 was deleted was because I looked at it, and the way it was originally written, I thought that by having section 2 in there, it was actually going to give the district the ability to take what money they wanted and give the leftovers to the school, so I asked that it be removed. I realized that when we removed it, by not having any language there, it was going to cause that. I asked the Legal Division to put section 2.5 in so that we could protect that and make it so they could only take out what the restricted amount was.

I heard some figures like \$400 million. I believe that figure is coming from all of the money including the capital improvements which has nothing to do with any of this. My question was, What does this really mean? The amount of \$147 million is what is currently spent on transportation and utilities. Rather than send that \$140 million to the school, principals track it and then bill it back; all this is doing is saying we are going to keep \$140 million and the rest of it—90 percent is going back to the school.

There was the discussion that some principals feel like because they have the personnel, they could save money and be able to get more money back to use in the classroom. I do not know that they would save a whole lot in doing that.

Another thing that was mentioned was regarding substitutes. This year, the school district instituted a thing where the schools are actually getting the opportunity to keep that difference. That is a big deal for me in my district because I had one school that had ten long-term substitutes in one year. You pay a long-term substitute a lot less than you pay a teacher and the difference was going back to the district. Now that money is staying at the school so they can use that for additional help to make up the difference for not having a full-time teacher in the school.

I really feel like this is going to make it better. I think, as mentioned, allowing the associate superintendents to be able to deal directly with the schools that feed on each other rather than have the City of Las Vegas that wants to be involved having to deal with multiple things for the same school, would allow some streamlining as would the other.

I had the Legal Division look at section 2.5, and I asked that question. Is there somehow that the district can have the ability to take more money away from the schools? I was told that was not in here. The only reason I am recommending that we take out the "including, without limitation" on page 3, line 20, is because that could be interpreted as saying that they can do all of the things on the list and include some additional things. I want to make it clear that the intent of this bill is to not allow the district to take more money, but to streamline that process.

I think it is important to have these discussions. I think there are things we can do to make the reorganization better. We have spent a lot of time since the original passing of the bill. In the interim we met at least monthly for a whole year or two and then met in two different interims and I also chaired the Working Group on School Organizational Teams and Other Issues Relating to the Reorganization of Clark County School District this past interim and what we could do to make them better. I am very familiar with this. If this were something that I was trying to do to try to get rid of the reorganization, that is not the intent. The intent is to make it better, to make it so those local schools can focus on helping our kids and improving student achievement.

I appreciate folks reaching out. I know that Mr. Gonzalez has reached out and I have read his amendment. I believe the changes that we made plus the additional discussion today actually addresses the concerns that they have, but we will continue to talk with them and hope that we can find support to make this process a little easier for the schools.

Chairman Thompson:

We will close the hearing for Senate Bill 469 (2nd Reprint) and we will open for public comment.

Bradley Keating, Director, Government Relations, Clark County School District:

I am here with a good news minute. We have talked about Clark County School District a lot, so what is another one minute?

Rancho High School was mentioned a few times today and we want to congratulate the Rancho Rams. They have a competitive team of students called the RamJets who utilize professional engineering software to develop solutions for leading industries in the nation. Congratulations to the RamJets for placing second in the Real World Design Challenge national competition. They had a great run at it and also placed second in the international competition. We are proud of what they are doing at Rancho High School.

John Eppolito, Private Citizen, Incline Village, Nevada:

I have three children left in the school district. I want to make a comment about the Family Educational Rights and Privacy Act (FERPA). The reason we are in this bind with student data is because FERPA was gutted twice. Once was under President George W. Bush, and what he did was allow school districts and states to share personally identifiable information without parental consent. That came from the Republicans. The second one was President Barack Obama and he allowed the sharing of personally identifiable information to third parties for research. It kind of took the Republicans plus the Democrats to screw this up. Now we are in a bind, and it is going to take both to bring it back together.

I heard that the Washoe County School District said they are getting away from the free educational technology vendors. That is really good news. We will see if that happens. Many of these vendors tell us in their privacy policies that they will share our children's data with others. They do not say who the others are, but it is not just the Edmodos that have the data, they share it with other people.

The local school districts have already proven they cannot protect the student data. What we in Protect Nevada Children would like to see is that parents are educated, and parents need to be able to opt out of using these free edtech vendors. Washoe County School District does not want to allow that.

Donald G.T. Gallimore, Sr., Third Vice President, Reno-Sparks Branch 1112, National Association for the Advancement of Colored People:

I forgot to mention the cost savings. It was mentioned that the lack of having to provide services is a savings. The money savings that can accrue from not having collected is enormous. There is a revenue side of it where the testing organizations go to get paid. In general, without having to have those layers of workers to have to do the calculations, the testing, the collections, and all of the things entailed is, in itself, a savings and we can save a ton of money by not having so much data to be collected.

Clifton Berry, Private Citizen, Las Vegas, Nevada:

I am a former school organizational team (SOT) member at Lewis E. Rowe Elementary School. I want to go back and say that it is not that I am in opposition to the reorganization. I support it, it is just the worry and the accountability and the process of being implemented.

I was sitting on an SOT board and although I am no longer on the board, I have seen the effect with the reorganization where the school principal at Lewis E. Rowe Elementary School has moved on to become a school area superintendent. I am for it; it is just the wordplay. Let us be honest and all work together and make it happen. If there is anything I can do, let me know. I will help.

Chairman Thompson:

Thank you. We might take you up on that. Thank you for your comments today. At this time we will close our meeting. The meeting is adjourned [at 3:51 p.m.].

RESPECTFULLY SUBMITTED:

Sharon McCallen
Committee Secretary

APPROVED BY:

Assemblyman Edgar Flores, Vice Chairman

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a proposed amendment to Senate Bill 403 (2nd Reprint) presented by Alexandra Dominguez, Director, State Government Relations for Nevada, The College Board.

[Exhibit D](#) is written testimony regarding Senate Bill 403 (2nd Reprint), dated April 30, 2019, presented by Alexandra Dominguez, Director, State Government Relations, The College Board.

[Exhibit E](#) is a proposed amendment to Senate Bill 469 (2nd Reprint), dated April 29, 2019, presented by Alex Ortiz, Assistant Director, Department of Administrative Services, Clark County.

[Exhibit F](#) is a proposed amendment to Senate Bill 469 (Second Reprint) presented by Ed Gonzalez, representing Break Free Clark County School District.

[Exhibit G](#) is a document titled "Approved Regulation of the State Board of Education: LCB File No. R036-18, Effective December 19, 2018," submitted by Ed Gonzalez, representing Break Free Clark County School District.