## MINUTES OF THE SENATE COMMITTEE ON FINANCE

# Eightieth Session May 16, 2019

The Senate Committee Finance called on was to order Chair Joyce Woodhouse at 5:00 p.m. on Thursday, May 16, 2019, Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

## **COMMITTEE MEMBERS PRESENT:**

Senator Joyce Woodhouse, Chair Senator David R. Parks, Vice Chair Senator Moises Denis Senator Yvanna D. Cancela Senator Chris Brooks Senator James A. Settelmeyer Senator Ben Kieckhefer Senator Pete Goicoechea

## **STAFF MEMBERS PRESENT:**

Mark Krmpotic, Senate Fiscal Analyst Alex Haartz, Principal Deputy Fiscal Analyst James Malone, Program Analyst Colby Nichols, Program Analyst Julie Waller, Senior Program Analyst Jennifer McEntee, Committee Secretary Linda Hiller, Committee Secretary

## OTHERS PRESENT:

Neena Laxalt, Eureka County School District
Dan Wold, Superintendent, Eureka County School District
Jessica Ferrato, Nevada Association of School Boards
Lindsay Anderson, Washoe County School District
Brad Keating, Clark County School District

#### CHAIR WOODHOUSE:

I will open the meeting of the Senate Committee on Finance with a hearing on Assembly Bill (A.B.) 64.

ASSEMBLY BILL 64 (1st Reprint): Revises provisions governing the funding provided to school districts for pupils enrolled in full-time programs of distance education. (BDR 34-455)

NEENA LAXALT (Eureka County School District):

Assembly Bill 64 was brought forward by Eureka County School District with the purpose of addressing the issue of online charter schools reaching into the smaller districts and receiving a high amount of funds that would not otherwise be received had they had a Statewide or ruralwide average.

DAN WOLD (Superintendent, Eureka County School District):

When a student from a regular school district enrolls in an online charter school, the online charter school receives the per-pupil funding that would otherwise go to the school district the student is zoned for. Through no fault of the bill drafters, there was an unintended consequence that on big years of net proceeds, since we do not get per pupil funding, the formulas divide all our income by our number of students. When we have a big net proceeds year, we put most of that money into our net proceeds mitigation. The highest it has been was in 2012 at \$46,000, and we put most of that money into our net proceeds mitigation. We did not spend but a fraction of that; the five students who were involved in online distance learning diverted that \$46,000 for each of those five students.

With A.B. 64, we are trying to keep those online charter schools from coming into our communities and hosting open houses and giving out fliers, cookies and punch and saying to parents that if your child is unhappy in school, as many 14-year-olds are, here is another option. We are not opposed to choice if a student wants to be in any kind of a charter, whether it is a brick-and-mortar school, an online school or a private school. But to incentivize the online distance learning schools to come in and cherry pick our kids is what we are trying to deter with this bill.

#### SENATOR DENIS:

We have been working on legislation for online charter schools, and there is a component that addresses this issue in <u>Senate Bill (S.B.) 441</u> which passed out of the Assembly Committee on Education earlier today.

**SENATE BILL 441 (1st Reprint)**: Provides for the separate regulation of online charter schools. (BDR 34-392)

The question we might ask is, what happens if both A.B. 64 and S.B. 441 pass? We thought it was an issue. Providing online options are important; that is why we put in S.B. 441. However, to have those online schools get that high amount of the per-pupil funding is something we did not think was fair. I appreciate you clarifying this issue with A.B. 64. We have like minds on this issue.

## Mr. Wold:

Your funding bill, <u>S.B. 543</u>, would also make <u>A.B. 64</u> not necessary, because a distance learner would have the funds follow him or her at the base per pupil amount without any weights or adjustments.

**SENATE BILL 543**: Revises provisions relating to the funding of public schools. (BDR 34-1263)

That would accomplish the same thing as A.B. 64. Unfortunately, that bill will not go into effect for two years. Assembly Bill 64 would go into effect immediately.

## CHAIR WOODHOUSE:

I will take testimony in support of A.B. 64.

JESSICA FERRATO (Nevada Association of School Boards): We support  $\underline{A.B. 64}$ .

#### CHAIR WOODHOUSE:

I will take testimony in opposition or neutral to <u>A.B. 64</u>. Seeing none, I will close the hearing on <u>A.B. 64</u> and open the work session on <u>S.B. 29</u>.

**SENATE BILL 29**: Makes various changes relating to unarmed combat. (BDR 41-363)

MARK KRMPOTIC (Senate Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The concerns that the Fiscal Analysis Division staff had with <u>S.B. 29</u> was the potential impact on the General Fund as a result of the Nevada Athletic Commission (NAC) having the ability to retain some of its fees. I believe testimony stated that what they were trying to carve out were newly established costs for officiating events and so forth.

COLBY NICHOLS (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

<u>Senate Bill 29</u> was heard in this Committee on March 25, during which some concerns were expressed regarding section 3 which specifies that certain costs and fees would be deposited in the NAC Agency account rather than to the General Fund. Following the hearing, the Agency indicated these costs and fees would cover subjects including:

- Bonds posted prior to event licensing.
- Costs incurred during proceedings to issue a license for an event.
- Costs incurred during the sanctioning of an organization to administer drug testing.
- Costs incurred during the registration of a sanctioning body or broadcast network for television.
- Costs incurred during disciplinary hearings and proceedings relating to the reinstatement of a revoked license.
- Athletic Commission gate fees.
- The amateur boxing ticket surcharge.
- Any prize money withheld pending disciplinary action.
- The creation of a license fee to be assessed for events for which no tickets are sold equal to the costs of the services of the Commission provided in relation to the contest or exhibition of unarmed combat. This is the new fee, and it would require a two-thirds majority vote to pass.

## Mr. Krmpotic:

What did you find out from the NAC and through your own research as to the potential fiscal impact on the General Fund?

#### Mr. Nichols:

The new license fee contained in section 8, subsection 9 of <u>S.B. 29</u> would not have any impact to the General Fund per the NAC; these are costs already incurred by the NAC and are currently paid for out of pocket. However,

regarding the other funds, the NAC has indicated that it is difficult to estimate, yet they estimate that the impact would be less than \$50,000 on the General Fund. The NAC also indicated that, since the estimate is based on the number of events and combatants in individual events, it is hard to provide an accurate estimate for any given year.

SENATOR SETTELMEYER MOVED TO DO PASS S.B. 29.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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## CHAIR WOODHOUSE:

I will close S.B. 29 and open the work session hearing on S.B. 59.

SENATE BILL 59: Requires proceeds from fees collected for the use of Stewart Indian School land be credited to the Nevada Indian Commission's Gift Fund. (BDR 18-187)

## MR. KRMPOTIC:

<u>Senate Bill 59</u> provides for the proceeds charge for the authorized use of buildings and grounds of the former Stewart Indian School to be paid into the State Treasury for credit to the Nevada Indian Commission's Gift Fund. When this bill was initially brought forward, the intent was to look at future events that may be held at the School.

JAMES MALONE (Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

Senate Bill 59 was last heard in this Committee on April 29. Several individuals testified in support, and there was no testimony in opposition or neutral. The funds would be used to carry out programs to preserve and maintain the buildings and grounds of the former Stewart Indian School. The Department of Tourism and Cultural Affairs indicated the various programs they are planning to perform are: travel conference rooms, native artists in residence, maker spaces for native artists and innovators, special events such as weddings and receptions and the use of the field for playing professional teams.

The language in section 1 is broad and may be interpreted to include the collection of revenues outside the Agency's intent such as rent for current State agencies occupying buildings not included in the Stewart Master Plan. There was one fiscal note submitted with a fiscal impact from the Department of Conservation and Natural Resources, Division of State Lands. The fiscal note indicated that approximately \$25,000 of revenues over the 2019-2021 biennium would be diverted from the General Fund. However, this estimate was based on a potential hypothetical situation and is not included in the Executive Budget.

If the Committee wishes to pass <u>S.B. 59</u>, they may consider a conceptual amendment limiting the scope of the fees to be charged for special purposes utilizing only land and buildings identified in the Stewart Master Plan that do not impact other entities currently utilizing buildings at the Stewart Indian School.

## SENATOR KIECKHEFER:

Is it common that fees charged on specific State lands are kept for use on those lands only, or do they traditionally go into a separate fund and then we use the appropriation process to fund those?

## MR. KRMPOTIC:

In most cases, Fiscal staff is not aware of that. In certain instances, such as State parks hosting events held on park land that they manage, or inside museum buildings where certain events might be held, the fees may stay on site, but generally, I cannot think of other examples where this would apply.

#### SENATOR KIECKHEFER:

As long as it is not totally precedent setting, I am OK with it if, for example, museums keep some of the revenue they generate through events or leases. I think the appropriation process is the way to disperse money, and I want to ensure we are not deviating too far from that. This is certainly not an unreasonable way to start as this site grows and develops more interest.

#### CHAIR WOODHOUSE:

Mr. Malone, would you read the amendment you suggested we might want to consider?

Mr. Malone:

The recommended conceptual amendment is limiting the scope of fees to be charged for special purposes utilizing only land and buildings identified in the Stewart Master Plan that do not impact other entities currently utilizing buildings at the Stewart Indian School.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 59 BY LIMITING THE SCOPE OF FEES TO BE CHARGED FOR SPECIAL PURPOSES UTILIZING ONLY LAND AND BUILDINGS IDENTIFIED IN THE STEWART MASTER PLAN THAT DO NOT IMPACT OTHER ENTITIES CURRENTLY UTILIZING BUILDINGS AT THE STEWART INDIAN SCHOOL.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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#### CHAIR WOODHOUSE:

I will close the work session on S.B. 59 and open S.B 204.

SENATE BILL 204 (1st Reprint): Revises provisions relating to the mental health of pupils. (BDR 34-551)

ALEX HAARTZ (Principal Deputy Fiscal Analyst):

Senate Bill 204 was heard in this Committee on May 3. It makes several changes to existing law with regard to the requirement of public schools, charter schools and private schools to develop a model plan for the management of a suicide crisis or emergency. The proposed changes require the model plan to include procedures for responding to a suicide or attempted suicide and to provide counseling and other appropriate resources to pupils and school staff who have contemplated or attempted suicide. The bill also requires outreach to persons or organizations in the community that may be able to assist with a response and address the needs of pupils at high risk of suicide.

<u>Senate Bill 204</u> requires the board of trustees of a school district, the governing body of a university school for profoundly gifted pupils and the governing body of each charter school or private school that provides instructions to pupils in

Grades 7 through 12 to adopt a policy for the prevention of suicide. It includes requirements of what should be in that policy. The bill also identifies groups of pupils who are at high risk of suicide, and it requires public schools and charter schools to address the needs of those pupils. In public schools and charter schools, that is a mandatory requirement. Addressing the needs of the identified pupils is discretionary for private schools. It also requires the Department of Education (NDE) in consultation with The Office for a Safe and Respectful Learning Environment and the Department of Health and Human Services Statewide Program for Suicide Prevention to develop a model program on suicide prevention for students in Grades 7 through 12.

Senate Bill 204 was introduced by Senator Spearman and several individuals testified in support while several individuals from private schools testified in opposition. Testimony in neutral was heard from representatives of the Clark County School District (CCSD), Washoe County School District (WCSD) and the Nevada Association of School Superintendents. Senate Bill 204 came to this Committee having been amended. There are no other amendments. There were two fiscal notes indicating fiscal impacts caused by S.B. 204. One was by the NDE, and the other was by the State Public Charter School Association (SPCSA). We have received emails from both of those entities indicating that as amended, there would be no remaining fiscal impact.

#### SENATOR SETTELMEYER:

I may be out of line since this is a finance committee and it is a monetary matter, but my father committed suicide, so I am very sensitive to this subject. I appreciate the idea of trying to have some suicide prevention training and programs, but I am concerned that within sections 11, 12 and 13, the NDE is allowed to judge the legitimacy of the model plan on those private schools.

I would consider an amendment that would indicate something to the effect that the NDE does not have the right to judge the legitimacy of a school's plan but to only require a plan. I would hate to have a situation in section 13 where the NDE has the ability to revoke a license based on the plan just because they do not agree with it. I wanted to throw that out there; otherwise. I am afraid I will not be able to support this bill.

#### **SENATOR DENIS:**

That was an issue we questioned. We had the Legislative Counsel Bureau (LCB) Legal Division look at it and they were going to come back if there was a need

for an amendment. The biggest concern was in section 10, subsection 3 where the language was changed to read "may" address the needs of high-risk pupils making it permissive. The intent is not to give NDE the ability to reject a school's license because a school did not follow the suggestion in the bill. That is what the LCB Legal Division told me.

#### SENATOR SETTELMEYER:

In section 12 of <u>S.B. 204</u>, it states that the Board may revoke a license with the new added language, "or has failed to comply with the requirements of section 10 of this act." I am wondering if that gives them the ability to reject it based upon their opinion of whether or not they feel the school has complied with the requirements. I would prefer that language to say something like, "or has failed to submit a plan." That way, the NDE does not have the ability to judge the legitimacy of that plan in a private school. They may have different viewpoints that do not coincide with the school.

## **SENATOR DENIS:**

Yes, that issue came up, and I felt comfortable after talking to Legal that the NDE would not be able to do that. If we need to amend that when it comes back, we could. Legal was supposed to discuss it, and they never got back to me, so I do not know where it ended up. Originally, they said that the NDE could not do that, because the bill only requires them to do the model plan. If there is more to be done there, we could follow up with Legal.

## SENATOR KIECKHEFER:

I know there are fiscal notes from the school districts that are included with <u>S.B. 204</u>. I do not know if those are based on the original version or the first reprint or whether the amendment that was attached at some point addressed those concerns or not. Can you clarify?

#### Mr. Haartz:

The Fiscal staff understands that the fiscal notes were on the original draft of S.B. 204. The emails we received from the two entities were on the first reprint version indicating that their concerns were addressed and satisfied.

## CHAIR WOODHOUSE:

That was my understanding.

SENATOR KIECKHEEER:

Thank you for clearing that up. Were those from the districts or the NDE?

Mr. Haartz:

They were from the SPCSA and the NDE.

SENATOR DENIS MOVED TO DO PASS S.B. 204.

SENATOR CANCELA SECONDED THE MOTION.

THE MOTION CARRIED (SENATORS GOICOECHEA, KIECKHEFER AND SETTELMEYER VOTED NO.)

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CHAIR WOODHOUSE:

I will close the work session on S.B. 204 and open S.B. 485.

<u>SENATE BILL 485 (1st Reprint)</u>: Revises provisions relating to the education of certain children from Nevada who are patients or residents of certain hospitals or facilities. (BDR 34-397)

Mr. Krmpotic:

<u>Senate Bill 485</u> was heard in this Committee around the time of the first committee passage deadline, April 17. It was amended by the Committee and now contains General Fund appropriations in the first reprint. In section 2.5 of <u>S.B. 485</u>, it appropriates \$40,000 for virtual auditing of hospitals or other licensed facilities and \$72,000 for in-person auditing of hospitals. I believe these were appropriations to the NDE for costs they incurred in doing these audits outside of the State.

The conceptual amendment from WCSD (Exhibit C) amends section 1, subsection 3 about reimbursement. The language withholding that amount from the school district or charter school where the child would be enrolled has been stricken. It indicates that if the request for reimbursement is made pursuant to subsection 1, the NDE shall distribute the money. The concern here is unless the money is withheld from the school district, the NDE does not have the funding to distribute. One of the biggest concerns the Fiscal staff has is with the special education funds.

JULIE WALLER (Senior Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):

The proposed amendment mechanically could work for not withholding out of the Distributive School Account (DSA), although the State would have a fiscal impact that is not currently in the budget. Regarding the special education funding not being withheld from the school districts where the student attends, this is problematic.

In the DSA there is a mechanism where if you have a funding shortfall in the first year, you can transfer from the second year to cover the shortfall in the first year. However, special education funding is in a separate category. Therefore, if you do not withhold it and you have to pay funding to the hospital, there is no funding available unless you appropriate additional money in the category. By doing that, you would increase the maintenance of effort for special education for the State.

The hospitals could submit reimbursement requests for special education students in one year and not the next year. Those funds would then be distributed to school districts, and you would not have the funding available for the hospital in the event that they had special education students and requested another reimbursement.

The issue is a maintenance of effort issue; mechanically it does not work in that categorical the same as it would work in the DSA, the category for the Nevada Plan formula fund distribution.

The other thing is the count of students for special education is based on the prior year actual count as opposed to the current year count. Theoretically, you could have a student enrolled in the school district who is included in the count; but the district receives funding for that student the following year. However, you could also have an instance where a child who was not in the district with an Individual Education Plan in the prior year and then you would be distributing funding that they were not included in the count. That is not so much a problem; because it would be funded in the subsequent budget cycle. It is just a timing issue.

More importantly is the issue with the maintenance of effort and the mechanical ability to fund the special education request for reimbursement if it is not withheld from the district where the student resides.

#### SENATOR KIECKHEEER:

Is there a requirement that any payments include the full allocation for the child if the child is a special education student? Is there a requirement that they get what would otherwise be a full allocation? Or, if these are out-of-State hospitals that are getting nothing now, might it make sense that we avoid this maintenance of effort issue and say they are entitled to the basic per-pupil support as a percentage but not the special education addition?

#### Ms. Waller:

Currently, in statute, there is a requirement for them to share in the special education, but it is through a reduction of the funding allocated to the school districts. Yes, you could eliminate that part of the statute and eliminate the allocation of the special education dollars and just have it be the basic support per pupil. That would work.

## SENATOR KIECKHEFER:

Would that solve the maintenance of effort issue?

## Ms. Waller:

The way it is currently structured, with the funding for special education subtracted from the school district, it just maintains the same maintenance of effort. However, if we do not subtract the funding distributed to the hospitals from the school district where the student resides, and the State has to put in more money in the special education category, it would increase the State's maintenance of effort. There is not a predictable number of students from year to year that we could count on to request reimbursement of special education funding in the hospitals.

## CHAIR WOODHOUSE:

I know that WCSD, CCSD, Dan Musgrove and the NDE have all worked on <u>S.B. 485</u> for many days and weeks. Ms. Anderson, would you address what you are trying to do with the amendment?

## LINDSAY ANDERSON (Washoe County School District):

We were trying to address the concept that when we went to the average daily enrollment method of giving money to school districts, these students are unenrolling from the school district and enrolling in a different school. So for the period of time when they are not in enrolled in our school district, we are not receiving the money for that student. Withholding the funds from the school

district, funds that we did not get in the first place for these students, feels punitive and has had a fiscal impact over the biennium. It feels like we are paying for these students while they are not in our schools, and we are not getting the appropriation for that student during that same time. That was the intent of the amendment, Exhibit C.

#### SENATOR KIECKHEFER:

Would the flipside of solving this problem be for you to continue getting an allotment for that student while they are unenrolled? Then the district could use that money to pay the hospital directly.

## Ms. Anderson:

That addresses the double counting issue, but I do not know how we would count these children once they had unenrolled and gone to a different state. When this was originally passed and we were doing count day and we had the students, we were happy to have that amount reduced from our appropriation. If we continue to get that, and it is reduced, that could work.

## SENATOR KIECKHEFER:

I was just wondering if there was another solution.

## CHAIR WOODHOUSE:

I know this might break your heart, but I think we are going to take <u>S.B. 485</u> back and see if there is something else we can do to address this issue.

I will close the work session on S.B. 485 and open S.B. 506.

SENATE BILL 506: Makes an appropriation to the Division of State Library, Archives and Public Records for the replacement of a large book scanner. (BDR S-1175)

## MR. KRMPOTIC:

<u>Senate Bill 506</u> was heard in this Committee on May 6. It is a budget implementation bill in that it contains an appropriation that is included in the <u>Executive Budget</u>. It is for the replacement of a large book scanner for the Division of State Library, Archives and Public Records. Fiscal staff has checked with the Division about the accuracy of the amount of a large book scanner. We understand it is still accurate. We suggest the Committee act on this bill with no amendments.

SENATOR PARKS MOVED TO DO PASS S.B. 506.

SENATOR KEICKHEFER SECONDED THE MOTION.

THE MOTION CARRIED. (SENATORS CANCELA AND DENIS WERE ABSENT FOR THE VOTE.)

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## CHAIR WOODHOUSE:

I will close the work session on S.B. 506 and open S.B. 521.

SENATE BILL 521: Makes a supplemental appropriation to the Nevada Highway Patrol for an unanticipated shortfall in dignitary protection services for visiting dignitaries. (BDR S-1235)

#### MR. MALONE:

<u>Senate Bill 521</u> makes a \$64,664 supplemental General Fund appropriation to the Nevada Highway Patrol (NHP) for an unanticipated shortfall in dignitary protection services for visiting dignitaries in fiscal year (FY) 2019. We heard the bill in this Committee on May 6; the NHP testified that their dignitary protection costs had already exceeded the amount recommended in S.B. 521.

They requested that section 1 of the bill be amended to reflect the \$132,000 General Fund appropriation. This request would provide NHP with enough funding to cover expenditures already incurred and provide NHP with approximately \$40,000 of additional funding to cover any unanticipated expenses through the rest of 2019.

The NHP indicated that this contingency would cover one trip from either the U.S. President or Vice President. However, Fiscal staff noted that an individual visit from the President or Vice President averaged approximately \$15,000 per visit in FY 2019 and did not exceed \$20,000. If approved, Fiscal staff recommends amending section 1 of S.B. 521 to reflect a \$113,000 supplemental appropriation which would provide enough funding to cover expenses already incurred and an additional \$20,000 to provide a contingency for approximately one unanticipated visit.

#### CHAIR WOODHOUSE:

To clarify, the \$64,664 should be amended to \$113,000 plus \$20,000 for a contingency. Is that correct?

Mr. Malone:

No, it is just \$113,000; that includes the \$20,000.

SENATOR KIECKHEFER MOVED TO AMEND AND DO PASS AS AMENDED S.B. 521.

SENATOR PARKS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR DENIS WAS ABSENT FOR THE VOTE.)

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## CHAIR WOODHOUSE:

I will close the work session on S.B. 521 and open S.B. 522.

SENATE BILL 522: Makes a supplemental appropriation to the Nevada Highway Patrol for an unanticipated shortfall in gasoline costs. (BDR S-1236)

#### MR. MALONE:

<u>Senate Bill 522</u> was heard in this Committee on May 6. It makes a \$441,225 supplemental appropriation to the NHP for an unanticipated shortfall in gasoline costs in FY 2019. At the last hearing on May 6, the NHP testified that gasoline costs have increased approximately 16 percent compared to the base price when the budget was developed.

Fiscal staff would note that based on updated gasoline forecasts and projections, the anticipated shortfall has dropped. If approved, Fiscal staff recommends amending section 1 of <u>S.B. 522</u> to reflect the State Highway Fund supplemental appropriation of \$384,277 in FY 2019 to provide funding based on updated forecasts and projections.

SENATOR PARKS MOVED TO AMEND AND DO PASS AS AMENDED S.B. 522.

SENATOR CANCELA SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR DENIS WAS ABSENT FOR THE VOTE.)

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## CHAIR WOODHOUSE:

I will close the work session on S.B. 522 and open A.B. 88.

ASSEMBLY BILL 88 (1st Reprint): Revises provisions relating to public schools. (BDR 34-333)

#### Mr. Krmpotic:

Assembly Bill 88 was heard in this Committee on April 24. It extends the deadline for certain reports relating to the average daily enrollment of pupils made by the school district to the NDE. It revises the content of certain quarterly reports made by a school district, revises the information required to be posted online by a school district and provides the manner in which a large school district is required to determine the allocation that will be made to each school district precinct of the next school year and providing other matters properly relating thereto. There were no amendments and Fiscal staff recommends do pass of A.B. 88.

## SENATOR SETTELMEYER:

I had several people reach out to educate me on this issue. One thing they said they might like to see in the future, is to make the districts show their work about how they set their estimates. This is just a theory.

SENATOR SETTELMEYER MOVED TO DO PASS A.B. 88.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR GOICOECHEA WAS ABSENT FOR THE VOTE.)

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## CHAIR WOODHOUSE:

I will close the work session on  $\underline{A.B.~88}$  and reopen the hearing on  $\underline{A.B.~64}$  in regular session.

## Mr. Krmpotic:

Assembly Bill 64 was heard in this Committee this afternoon. It revises provisions governing the calculation of apportionments provided to charter schools for pupils enrolled in full-time programs of distance online education and providing other manners properly related thereto. The testimony addressed online charter schools that may attract students from Eureka County and other small counties that pay a higher per-pupil amount.

## Ms. Waller:

The proposal in <u>A.B. 64</u> is to fund the distance education learners at the Statewide average basic support per pupil. Should one of the students reside in a small county such as Lander County or Storey County, which has local revenue higher than the basic support need, then those districts do not receive State funding. The language as currently drafted would require the State to pay those students a Statewide basic support amount which includes State funding as well as local funding.

When those small counties do not receive State funding, the concern would be that perhaps a change to the language should say that if those counties' local revenues exceed the need for the basic support obligation, then they would fund that Statewide average basic support amount with their local funds. It is distinguishing the districts that receive no State funding as part of their basic support guarantee from those that receive both their State and local funding to make it work.

#### CHAIR WOODHOUSE:

I want to make sure I understand this. You are saying that to make this work, in the counties where there is no State support, we would need to amend <u>A.B. 64</u> so the student support amount would come totally from the local source. Is that correct?

## Ms. Waller:

That is correct. It would still be the Statewide average dollar amount, but the funding source to fund that Statewide average would need to come from local dollars to have no additional dollar impact on the State.

## SENATOR SETTELMEYER:

I assume we are talking about a conceptual amendment that would also indicate whether a county was a hybrid, where they receive some money from the State and some from local sources. This would be if the county was not wealthy enough from the proceeds of mines. What would happen in that case?

## Ms. Waller:

If a school district receives local funding from net proceeds of minerals and so forth and their obligation—their basic support per pupil multiplied by their number of students—is higher than their local dollars, which is the Local School Support Tax and property tax, then they receive State dollars.

That could work in the language of this bill to fund the Statewide average basic support guarantee. Where those districts within areas with a significant amount of net proceeds of minerals and property tax that do not receive any State dollars as a result, then they would fund that Statewide average with those local dollars.

SENATOR SETTELMEYER MOVED TO AMEND AND DO PASS AS AMENDED A.B. 64.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR GOICOECHEA WAS ABSENT FOR THE VOTE.)

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#### CHAIR WOODHOUSE:

I will close the hearing on A.B. 64 and open public comment.

#### Ms. Anderson:

In the education committees, we try to end each hearing with a good news minute. Next Wednesday, the WCSD is hosting the groundbreaking for new middle school in south Reno, in Senator Kieckhefer's district. This is as a result of Washoe County Question 1 (WC-1), a 2016 ballot question allowing us to build schools for the first time in many years.

The school is being named after Marce Herz, who taught in northern Nevada for 10 years, including 5 years at Mt. Rose Elementary School. She was a world-class athlete who set U.S. and world records in track and field as well as 16 amateur alpine ski titles. She founded a program called the junior ski program where many students in Washoe County have learned how to ski.

We are excited to break ground on this new middle school, thanks to WC-1, that has been long overdue in Reno.

## BRAD KEATING (Clark County School District):

At CCSD, our family and community engagement services unit in Las Vegas includes a program called the University of Family Learning. Parents are able to go through a number of courses that help them become better parents, be partners with the school system and learn how to assist their students in reading and other school-related activities. We believe parents are the first teachers of their children.

Last night, we hosted an event that celebrated more than 200 parents who completed more than 150 hours of training to help their children become better students.

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## CHAIR WOODHOUSE:

Seeing no further public comment, this meeting of the Senate Committee on Finance is adjourned at 5:56 p.m.

Finance is adjourned at 5:56 p.m.	
	RESPECTFULLY SUBMITTED:
	Linda Hiller, Committee Secretary
APPROVED BY:	
Senator Joyce Woodhouse, Chair	_
DATE:	_

EXHIBIT SUMMARY					
Bill Exhibit / # of pages			Witness / Entity	Description	
	Α	2		Agenda	
	В	3		Attendance Roster	
S.B. 485	С	1	Lindsay Anderson, Washoe County School District	Conceptual Amendment	