

NEVADA LEGISLATURE - SPECIAL SESSION

SENATE FINANCE COMMITTEE

Minutes of Meeting Held
February 13, 1968

The meeting of the Senate Finance Committee of the Special Session to consider Senate Bill No. 5, was held in Room 50, State Capitol Building Tuesday, February 12, 1968. The meeting was called to order at 9:10 a. m. by Chairman Floyd R. Lamb.

All members of the Senate Finance Committee were present with the exception of Senator Pozzi. (entered at 9:15)

Also present: Senator Proctor Hug
 Senator G. F. Fisher
 Senator Carl Dodge (entered at 9:25)
 Senator M. J. Christensen
 Senator Alfred Alleman
 Senator Vernon Bunker
 Senator Francis Farr
 Burnell Larson, State Superintendent of Public
 Instruction
 Lincoln Liston, Assistant Superintendent of the
 State Department of Education
 Donald Perry, Representative of Nevada State Education
 Association
 R. E. Bruce, Fiscal Analyst
 James Butler, Department of Education
 Members of the Press

Chairman Floyd Lamb opened the meeting by calling on Mr. Burnell Larson to explain changes made in the amendments to Senate Bill No. 5.

Mr. Larson pointed out changes in Paragraph (e), and in (1), (5), (6) and (7) under (f) of Section 9. See attached Revisions to Amendments to Senate Bill No. 5.

Senator Gibson asked if it was correct that if the Board of Examiners said "No" to a request, the money would not be forthcoming.

Mr. Howard Barrett said this was correct; that the Board of Examiners have the final say as to the allocation of funds. He stated that with the revisions made by the Board of Education, this was now written into their proposals.

Senator Lamb asked whether the wealth of a county was taken into consideration when a School District had a drop off in ADA.

Mr. Larson stated this was taken into consideration along with any other facets of income.

Members of the Education Committee and the Department of Education left the meeting at 9:30 a. m.

Discussion followed on allocation of this type of authority to the Department of Education, the fiscal responsibility of the Department of Education, whether the revisions now carried sufficient safeguards for sound fiscal responsibility, and the Senate Finance Committee's part in future emergency commitments.

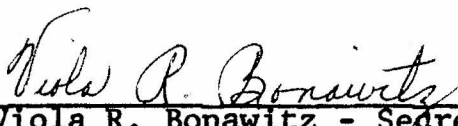
Consideration was given to a joint committee consisting of five members of the Ways and Means Committee and five members of the Senate Finance Committee, which would meet when the allocation to a given county needing emergency aid was \$50,000 or more.

Howard Barrett was asked his opinion of an interim committee to which he replied that it would be beneficial in case of large amounts, but when small amounts were requested would be of little or no value. It was agreed this type of an interim finance committee would be considered later.

Further discussion followed regarding the need of the Department of Education for this type of aid; the objectivity of the Budget Division and the Board of Examiners in consideration of such emergency requests, and any obstacles which might prevent fiscal responsibility.

Senator Mahlon Brown made a motion that the Committee draft a resolution giving their approval to Senate Bill No. 5. This motion was agreed to unanimously by the remainder of the Committee.

Respectfully submitted,


Viola R. Bonawitz - Secretary


Floyd R. Lamb - Chairman

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[SECTION 1. There is hereby created in the state treasury a special fund to be known as the school district emergency relief fund and administered by the state board of examiners.]

[SECTION 2. There is hereby appropriated from the general fund in the state treasury to the school district emergency relief fund the sum of \$101,553.]

[SECTION 3. The board of trustees of any school district in this state whose estimated receipts from all sources provided by chapter 322, Statutes of Nevada 1967, including any additional apportionment made pursuant to paragraph (e) of subsection 2 of section 5 of such chapter, as amended by section 9 of this act, are less for the fiscal year ending June 30, 1968, or the fiscal year ending June 30, 1969, than the total estimated receipts in the final approved budget for such respective fiscal years, and which cannot therefore provide a minimum program of education and meet its contract obligations, may apply for assistance under this act.]

[SECTION 4. Such application shall be made to the state board of education in such form as shall be prescribed by the superintendent of public instruction. The state board of education shall review each application and shall by resolution find the least amount of additional money, if any, which it deems necessary to enable the board of trustees of the applying school district to provide a minimum educational program and meet its irreducible contract obligations. In making such determination, the state board of education shall consider also the amount available in the school district emergency relief fund and the anticipated amount of future applications, so that no deserving school district will be wholly denied relief.]

[SECTION 5. If the state board of education finds that relief should be granted to an applying school district, it shall transmit its resolution finding such amount to the state board of examiners. The state board of examiners shall independently review each resolution so transmitted, may require the submission of such additional justification as it deems necessary, and shall find by resolution the amount of relief, if any, to be granted. The board may defer, and subsequently grant or deny, any part of a request.]

[SECTION 6. The state board of examiners shall transmit one copy of its finding to the board of trustees of the applying school district and one copy to the state controller. Upon receipt of a claim pursuant to a grant of relief, such claim shall be paid from the school district emergency relief fund as other claims against the state are paid.]

[SECTION 7. Money received by a school district pursuant to a grant of relief may be expended only in accordance with the approved budget of such school district for the fiscal year for which such grant is made. No formal action to incorporate the money so received in the approved budget is required, but such receipts shall be reported as other receipts are reported and explained in a footnote as emergency loans are explained.]

[SECTION 8. Any unexpended moneys in the school district emergency relief fund on June 30, 1969, shall revert on that date to the general fund.]

[SECTION 9.] SECTION 1. Section 5 of chapter 322, Statutes of Nevada 1967, at page 890, is hereby amended to read as follows:

Section 5. 1. On or before August 1, November 1, February 1 and May 1 of each year, the state controller shall render to the superintendent of public instruction a statement of the moneys in the state treasury subject to distribution to the several school districts of the state as provided in this section.

2. Immediately after the state controller has made his quarterly report, the state board of education shall apportion the state distributive school fund among the several county school districts and joint school districts in the following manner:

(a) Basic support of each school district shall be computed by multiplying the average daily attendance by the basic support guarantee per pupil established in section 3 of this act. [, except that in any year when the average daily attendance of a school district is less than the average daily attendance during the prior year, and such lesser average daily attendance was not anticipated at the time estimates were made by the superintendent of the county or joint school district in June of the preceding school year, the superintendent of public instruction may authorize additional apportionments in an amount such that the total apportionment for the year does not exceed the total apportionment for the prior year. As a condition precedent to such authorization, the superintendent of the county or joint school district shall deliver to the superintendent of public instruction a request setting forth the reasons why the additional apportionment is necessary to the financial support of the school district, and the superintendent of public instruction shall review such request.]

(b) The availability of local funds shall be determined, which local funds shall be the sum of:

(1) The proceeds of the 70-cent local tax computed as provided in NRS 387.195 or 387.250:

(2) Twenty-five percent of all moneys received by the school district under the provisions of Public Law 874, 81st Congress, approved September 30, 1950, as amended, during the previous year; and

(3) The proceeds of the local school support tax imposed by sections 16 to 171, inclusive, of this act. The Nevada tax commission shall furnish an estimate of such proceeds, based upon actual collections during the preceding fiscal year, to the state board of education on or before July 15 for the fiscal year then begun, and the state board of education shall adjust the August apportionment of the succeeding fiscal year to reflect any difference between such estimate and actual receipts.

(c) Apportionment computed on a yearly basis shall consist of the difference between the basic support as computed in paragraph (a) of this subsection and the local funds available as computed in paragraph (b) of this subsection.

(d) Apportionments shall be paid quarterly at the times provided in subsection 1, each quarterly payment to consist of approximately one-fourth of the yearly apportionment as computed in paragraph (c) of this subsection. The first quarterly apportionment based on an estimated number of pupils in average daily attendance and succeeding quarterly apportionments shall be subject to adjustment from time to time as the need therefor may appear. A final adjustment shall be made in the August apportionment of the succeeding year by adding or subtracting the difference between the amount paid in the previous year and the amount computed on the actual average daily attendance of the highest 6 months of the previous year, so that for any school year the adjusted amount paid shall be equal to, but shall not exceed, the sum computed for the highest 6 months of average daily attendance.

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(E) FOR ANY YEAR WHEN THE AVERAGE DAILY ATTENDANCE OF PUPILS, MINORS, AND CHILDREN AS DESCRIBED IN SECTION 4 OF CHAPTER 322, STATUTES OF NEVADA 1965, IN A SCHOOL DISTRICT IS LESS THAN THE AVERAGE DAILY ATTENDANCE OF SUCH DESCRIBED PUPILS, MINORS, AND CHILDREN DURING THE PRIOR YEAR, AND SUCH LESSER AVERAGE DAILY ATTENDANCE WAS NOT ANTICIPATED AT THE TIME ESTIMATES WERE MADE BY THE SUPERINTENDENT OF THE COUNTY OR JOINT SCHOOL DISTRICT IN JUNE OF THE PRECEDING SCHOOL YEAR, THE SUPERINTENDENT OF PUBLIC INSTRUCTION MAY AUTHORIZE ADDITIONAL APPORTIONMENTS IN AMOUNTS SUCH THAT THE TOTAL OF ALL APPORTIONMENTS FOR THE YEAR DO NOT EXCEED THE TOTAL APPORTIONMENT FOR THE YEAR THAT WOULD BE COMPUTED BY SUBSTITUTING THE AVERAGE DAILY ATTENDANCE OF THE PRIOR YEAR FOR THE AVERAGE DAILY ATTENDANCE OF THE CURRENT YEAR. AS A CONDITION PRECEDENT TO SUCH AUTHORIZATION, THE SUPERINTENDENT OF THE COUNTY OR JOINT SCHOOL DISTRICT SHALL DELIVER TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION A REQUEST SETTING FORTH THE REASONS WHY THE ADDITIONAL APPORTIONMENT IS NECESSARY TO THE FINANCIAL SUPPORT OF THE SCHOOL DISTRICT, AND THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL REVIEW SUCH REQUEST.

(1) FOR PURPOSES OF DETERMINING THE LESSER AVERAGE DAILY ATTENDANCE OF TWO CONSECUTIVE SCHOOL YEARS AS PROVIDED IN THIS PARAGRAPH, COMPARISONS WILL BE MADE ONLY BETWEEN THE ATTENDANCE OF CATEGORIES OF PUPILS COMMON TO BOTH YEARS, AS FOLLOWS: PUPILS ENROLLED IN GRADES 1 - 12, INCLUSIVE; PUPILS ENROLLED IN THE KINDERGARTEN DEPARTMENT; PHYSICALLY OR MENTALLY HANDICAPPED MINORS ENROLLED IN SPECIAL EDUCATION PROGRAMS; AND CHILDREN DETAINED IN DETENTION HOMES AND JUVENILE FORESTRY CAMPS RECEIVING INSTRUCTION PURSUANT TO THE PROVISIONS OF NRS 388.550 TO 388.580, INCLUSIVE.

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(f) THE BOARD OF TRUSTEES OF ANY SCHOOL DISTRICT IN THIS STATE WHOSE ESTIMATED RECEIPTS FROM ALL SOURCES PROVIDED BY CHAPTER 322, STATUTES OF NEVADA 1967, INCLUDING ANY ADDITIONAL APPORTIONMENT MADE PURSUANT TO PARAGRAPH (e) OF SUBSECTION 2 OF SECTION 5 OF SUCH CHAPTER AS AMENDED BY SECTION 1 OF THIS ACT ARE LESS FOR ANY FISCAL YEAR BECAUSE OF REDUCED AVERAGE DAILY ATTENDANCE OR REDUCED LOCAL INCOME, OR BOTH, THAN THE TOTAL ESTIMATED RECEIPTS FROM SUCH SOURCES IN THE FINAL APPROVED BUDGET FOR SUCH FISCAL YEAR, AND WHICH CANNOT THEREFORE PROVIDE A MINIMUM PROGRAM OF EDUCATION AND MEET ITS CONTRACT OBLIGATIONS, MAY APPLY FOR EMERGENCY FINANCIAL ASSISTANCE FROM THE DISTRIBUTIVE SCHOOL FUND AND MAY BE GRANTED SUCH ASSISTANCE UNDER THE FOLLOWING CONDITIONS AND PROCEDURES:

(1) THE TAX LEVY FOR THE APPLYING DISTRICT SHALL BE THE MAXIMUM OF \$1.50 FOR OPERATING COSTS AS AUTHORIZED BY LAW AND NOT INCLUDING ANY SPECIAL TAX AUTHORIZED BY THE PROVISIONS OF NRS 387.290.

(2) SUCH APPLICATION SHALL BE MADE TO THE STATE BOARD OF EDUCATION IN SUCH FORM AS SHALL BE PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION, AND IN ACCORDANCE WITH GUIDELINES FOR EVALUATING NEEDS FOR EMERGENCY FINANCIAL ASSISTANCE AS ESTABLISHED BY THE STATE BOARD OF EDUCATION.

(3) THE STATE BOARD OF EDUCATION SHALL REVIEW EACH APPLICATION AND SHALL BY RESOLUTION FIND THE LEAST AMOUNT OF ADDITIONAL MONEY, IF ANY, WHICH IT DEEMS NECESSARY TO ENABLE THE BOARD OF TRUSTEES OF THE APPLYING SCHOOL DISTRICT TO PROVIDE A MINIMUM EDUCATIONAL PROGRAM AND MEET ITS IRREDUCIBLE CONTRACT OBLIGATIONS. IN MAKING SUCH DETERMINATION, THE STATE BOARD OF EDUCATION SHALL CONSIDER ALSO THE AMOUNT AVAILABLE IN THE DISTRIBUTIVE SCHOOL FUND AND THE ANTICIPATED AMOUNT OF FUTURE APPLICATIONS, SO THAT NO DESERVING SCHOOL DISTRICT WILL BE WHOLLY DENIED RELIEF.

(4) IF THE STATE BOARD OF EDUCATION FINDS THAT EMERGENCY ASSISTANCE SHOULD BE GRANTED TO AN APPLYING SCHOOL DISTRICT, IT SHALL TRANSMIT ITS RESOLUTION FINDING SUCH AMOUNT TO THE STATE BOARD OF EXAMINERS, ALONG WITH A REPORT OF ITS THEN CURRENT ESTIMATE OF THE TOTAL REQUIREMENTS TO BE PAID FROM THE DISTRIBUTIVE SCHOOL FUND DURING THE THEN CURRENT FISCAL YEAR.

(5) (Alternate) THE STATE BOARD OF EXAMINERS SHALL INDEPENDENTLY REVIEW EACH RESOLUTION SO TRANSMITTED BY THE STATE BOARD OF EDUCATION, MAY REQUIRE THE SUBMISSION OF SUCH ADDITIONAL JUSTIFICATION AS IT DEEMS NECESSARY, AND SHALL FIND BY RESOLUTION THE AMOUNT OF EMERGENCY ASSISTANCE, IF ANY, TO BE GRANTED. THE BOARD MAY DEFER, AND SUBSEQUENTLY GRANT OR DENY, ANY PART OF A REQUEST.

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(6) THE STATE BOARD OF EXAMINERS SHALL TRANSMIT ONE COPY OF ITS FINDING TO THE STATE BOARD OF EDUCATION AND ONE COPY TO THE STATE CONTROLLER. UPON RECEIPT OF A CLAIM PURSUANT TO A GRANT OF EMERGENCY ASSISTANCE, SUCH CLAIM SHALL BE PAID FROM THE DISTRIBUTIVE SCHOOL FUND AS OTHER CLAIMS AGAINST THE STATE ARE PAID.

(7) THE STATE BOARD OF EDUCATION SHALL TRANSMIT TO THE LEGISLATURE A REPORT OF EACH AND EVERY GRANT OF EMERGENCY ASSISTANCE PAID PURSUANT TO THIS PARAGRAPH.

3. Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees shall be credited with attendance during that period.

[Sec. 10. 1.] SEC. 2. [Sections 1 to 8, inclusive, of] This act shall become effective upon passage and approval. [, and shall expire by limitation at midnight on June 30, 1969.]

[2. Section 9 of this act shall become effective upon passage and approval, and shall not expire by limitation.]