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JOINT MEETING OF

21

SENATE AND ASSEMBLY COMMITTEES ON EDUCATION

WEDNESDAY, FEBRUARY 17, 1971

Tuesday, February 16, 1971

RE: S.B. 5 - A.B. 31

S.C.R. 4

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JOINT SENATE AND ASSEMBLY COMMITTEES ON EDUCATION

MINUTES OF HEARING

9
~~Wednesday~~, February 17, 1971
Thursday 19 3

PRESENT FROM SENATE:

- Senator Hug
- Senator Walker
- Senator Close
- Senator Fransway
- Senator Harris
- Senator Foley
- Senator Hecht

ABSENT: None

PRESENT FROM ASSEMBLY:

- Assemblyman Grover Swallow
- Assemblywoman Hawkins
- Assemblyman Smalley

ABSENT: Assemblyman White
 Assemblywoman Frazzini
 Assemblyman Wilson
 Assemblyman Foote

GUESTS:

- Mr. Burnell Larson, Department of Education
- Mr. Rose, President State Board of Education
- Dr. Marvin Picollo, Supt. of Washoe Co. Public Schools
- Mr. Roy Berry, Washoe Co. School District
- Mr. Richard Morgan, N.S.E.A.
- Mr. Gerald Myers, Washoe Co. School District
- Carol Aldridge, Clark Co. Retarded Childrens' Association
- Mrs. Ruth Cutten, League of Women Voters, Reno
- Mr. Howard Marr, S pecial Education PTA, Las Vegas
- Mr. William Sestito, Council for Exceptional Children, teacher, Las Vegas
- Helen Jydstrup, teacher, Variety School, Council for Exceptional Children, Las Vegas
- Mr. John Paul, Clark County School District

Additional Guests:

Mr. Ed Green, Clark County School District
Janet McEachern, League of Women Voters,
Boulder City
Kenny Guinn, Clark Co. School District
Shirley Weedow, Nevada Parent Teachers, Sparks
Mr. R. K. Schmitt, Parents' Association for
Deaf Children, Reno
Mr. W. L. Kurtz, Washoe Co. Schools, Reno
Mr. William Hammer, Director of Special
Services, Churchill County School District.
Director of Day Care Training Center, and
Churchill Co. Asso. of Retarded Children.

Chairman Hug convened the meeting at 3:00 P.M. for the purpose of discussing A. B. 31 and S. B. 5. The Senator mentioned that several members were absent due to other meetings and would be present as soon as possible. Senator Hug said these two bills were identical with the exception of two lines on Assembly Bill 31, there is added on page 4, subsection 7, 'the amount of funds to be disbursed as provided by subsection 4 shall be evaluated and adjusted annually by the state board of education.' That was the reason stated for calling a joint meeting, as the bills were identical.

Senator Hug then presented the Chairman of the Assembly Committee on Education, Grover Swallow.

The chairman said that after both committees had heard the testimony to be presented they would, he presumed, both go back and act on their respective bills. He added there would likely be discussions between the two of them after that. He said that after the committees had acted upon these bills they would then have to go to the Senate Finance Committee, and the Assembly Ways and Means Committee, because they do have money interests, he said; that whatever happens to the bills in committee and are passed out they do have to go to Finance and Ways and Means.

Senator Hug said that the procedure they would follow is that he had the names of those who wished to testify; that when they were called they would please come to the front and introduce themselves and speak so that if any members of the committees wished to ask questions they might do so.

Senator Hug then called upon the first person to testify, Howard Marr.

Mr. Marr then came forward and introduced himself. He said that he represented the Variety Club of Southern Nevada who are interested in the education of handicapped children. He stated that it had come to their attention that the current method of state support in terms of distributing the state school fund does not contain an adequate percentage allowance for the excess cost of educating the handicapped child. He asked that the Committees bear in mind that the bills before them would give the same amount to the handicapped child as given to the normal child now.

The Chairman asked how they arrived at this.

Mr. Marr said that they had carefully examined all the evidence that is published by the State Board of Education and talked to the County School Districts in terms of their expense accounts. He said they had taken the position that the same amount should be allowed for the handicapped child.

Mr. Marr was asked if 43% was state contribution in Clark County, and he answered this was the amount allocated for the normal child and 57% from local resources. The question was then asked what percentage was going to the handicapped child. He answered that 20% was allowed in state money and 80% from the county. He was then asked about how much was this in dollars. His answer was, that according to all available material they had to work with what they were talking about, approximately \$3,625,000. He said that was basic and for all support. The question was then asked how much was Clark County getting, and he said one-half of that. He said that paragraph 5 had to be looked at carefully and the bill was prepared prior to actual figures coming in and should be eliminated; he went on to explain why.

They were going to say that they needed to have all ADA share to help the handicapped child. He mentioned that Assemblyman Hilbrecht had prepared Section 7 amendment to make this more equitable. That he understood the state was preparing their own proposals, but this seemed to be most equitable right now.

The next speaker introduced himself as Superintendent of Washoe County Schools, Marvin Picollo, and that he was previously in the area of special education and child psychologist, and therefore, has a continuing interest in this area. He said he would cite the importance here of finding a bill that has long range implications. He said this should be planned carefully; that it should not be done in haste, and then find it could not be lived with because it did not have built in controls. He said he was not speaking against the bill, but for a viable solution that would control the growth. That he felt Mr. Larson was attempting to do this in his bill although there are some things in his bill he did not understand, and thought he should allow Mr. Larson to explain these things. He stated that we should consider Mr. Larson's proposal and went on to say if, for instance, in Washoe County we can have programs where we do not have to put up 60% of the money. How Clark County has indicated that they put up 57% he said and Washoe puts up a greater amount because their assessed valuation per child is higher. He said that if they had a bill which says put up \$12,000 for a special education class, and then the local district is asked to put up 60% you are going to kill the incentive as we could then say, we don't want a program for the blind or the deaf; we can say send them over to the state and let the state take care of them, by sending them out of state, because that alternative is open to us, and this is what you have to be careful of. He said that he would have a great deal of compassion for Mr. Larson, because it was going to be impossible to please everybody.

Mr. Marr was asked why Washoe County put up 60% of the money and he said because of their assessed evaluation was so high behind each child. He explained further that so much was given them in the form of a number for each child and according to the wealth of the county that money is reduced, for instance, Douglas County is a very wealthy county and so the state puts up a relatively smaller portion of the money, conversely, a very little county has very little money behind each child, and consequently, the state has to make that up. He said that Clark and Washoe Counties, by far the largest counties put up most of the money at the local level and the smaller county cannot develop a program for the blind or deaf; that Washoe and Clark are expected to develop these programs, and rightly so; but if these counties have to put up 80% of the money they are going to lose all incentive to do this; that they felt the state was largely responsible and should put up more than 20% of the money. This bill

you have here, he said, is a very good bill in that respect, but there are not enough specific safeguards in it. Discussion went on a little further and the next speaker came forward.

Mrs. Hawkins said she had to excuse herself at this point to attend another meeting.

The next speaker presented herself as Helen Jydstrum. She stated that she was President for the Council for Exception Children, Las Vegas Chapter 406, and a teacher in Variety School, and also a parent of a handicapped child. She said she represented 158 teachers in special education in Clark County, as well as holding other positions of concern to this problem. She said that all of this special education for the handicapped or most of it was paid for locally and they did not think this was fair as it was taking away from the education of the normal child. Neither do we think that you should push the special education child to the side line and not give them a fair shake. She felt she was very fortunate to teach in Variety School. She said it was probably the best school of its kind West of the Mississippi, outside of California, and she had visited many in California and felt it was best. She felt the Nevada Plan was not doing the job of funding this. She went on to explain why she was supporting this bill.

Mr. Burnell Larson, State Department of Education was called to speak on S.B. 5 and A.B. 31. Mr. Burnell stated that he came to the meeting to discuss these bills; he stated that he was not sure this was the right time to bring up any alternatives; he spoke of what these two bills meant in terms of dollars; that these two bills call attention to some factors, not only in the providing of financial assistance, but in the offering of services to public education. He stated that concerned people were speaking through these bills and saying important things.

First, that the Nevada Plan does not properly consider the needs of a specially needy group of children.

Second, financial support for this group of children, while it is provided in the Nevada Plan, is not specially designated to accommodate such programs.

Third, special education is a necessarily high cost program and since this is true, more total dollars must be made available if children in this category are to be provided the education they need.

Fourth, School districts of all sizes must be made to recognize the needs of these children and must provide the programs.

Fifth. The average ratio of handicapped children to normal children is greater than that represented in the Nevada Plan by the two and a half percent limitation.

That if we recognize the validity of the above propositions, the crucial questions to be answered are: Who should decide whether the programs are to be offered and which groups accommodated?

Whom, and by what method?

Categorical funding proposals answer most of these questions arbitrarily by placing the responsibility at the state level for:

- Mandating programs
- Specifying class size and composition
- Regulating accounting procedures
- Regulating rates of support
- Establishing penalties for non-compliance

We do not disagree with the above said Mr. Larson. It should be recognized, however, that through this type of support the decision-making authority has been taken from the local district and placed at the state level.

The financial implications of the two bills, which respond to the question of dollar support, can be considered as follows:

Mr. Larson submitted a breakdown of the formulas, copy of which is attached hereto, marked Exhibit 1, and made a part hereof.

Senator Hug inquired what the cost would be under the present law?

Mr. Larson said the difference would be between the sum of \$3,612,750 and \$9,991,000.

Senator Close referred to paragraph 5, on page 4, of S.B. 5, relative to funds apportioned as provided in this section shall be the total amount specified by the current basic support guarantee per pupil provided for in NRS 387.122

Mr. Larson said that the total basic support for 1971-72 was \$80,949,000; that the total local amount was \$31,997,269, and the total funds were \$48,951,731. Mr. Larson said that this was four million over and above the present costs.

Senator Foley inquired about an analysis for the two large counties.

Mr. Larson said that Special Education is a high possibility; that more should come from the state than from the local level, to be effective there should be a difference in ratio. He also said that we would be talking in terms of \$7,000,000 rather than \$9,000,000, because it would eliminate the necessity to segregate special education from regular education.

Senator Fransway inquired what percentage of the money would go to the \$9,000,000, to which Mr. Larson replied: "Fifty percent."

Mr. Larson said that he was using 3,025 as the number in making his basis for support.

Senator Foley remarked that this could not be made greater until regulations are made.

Mr. Larson said that he was sure that they will identify both in the hands of every school district; that they would be under a new system. Mr. Larson said that if a different approach were to be made he would have to know what the requirements would be, and said that he would get together with anybody to establish the methods or programs that are needed.

Senator Close inquired of Mr. Larson regarding other ideas he had.

Mr. Larson stated that he was told he was to address his remarks to S. B. 5 and A. B. 31; that he had no alternative. He said that he could offer the committee an alternative, if the committee wished to hear it.

Senator Hug said that many of the people present had come from a long distance, that perhaps, they should hear the alternative.

Senator Foley remarked that he thought everything was settled, and inquired: "How come when it was all settled, it has now become unsettled?"

Mr. Larson said that he was governed by the State Board.

Mr. Rose, President of the State Board of Education was called. He said that the difficulty they had was because of public support. He said that if the committee wished to alter the proposals he would present the proposals at this time.

Mr. Rose speaking for the State Board of Education said: "There were identical problems in the Nevada Plan; that the State Board had recognized that on the first analysis." He said that he would submit an outline, if the committee so desired.

Senator Foley moved that the committee hear this plan while all were present; the motion was seconded by Senator Close.

Mr. Larson's alternative for calculating categorical basic support for Special Education was introduced, a copy of which is attached hereto, marked Exhibit 2, and made a part hereof.

Mr. Larson interposed this statement: "That when the present breakage for total financing is made an exact total breakage cannot be made. We can now make recommendations to accomodate the recommendation; that it was not our intent to submit this with total funding to the committee."

Senator Hug inquired as to a method of approach; that there was a discrepancy in the amount of dollars.

Assemblyman Swallow recommended that they keep within the limitations.

Mr. Lrson stated that the amount of allotment for each pupil identified in special education was allotted \$750.00; that this was 25% over the prior year; that they were showing a maximum number of classes. In every class over the 2 1/2% it could cost an additional \$12,000, and all of that would have to be state money; that there was no other source of money.

Mr. Rose stated that if they did away with the 2 1/2% if a school district identified its needs, the additional cost would be \$12,000.

Mr. Larson stated that the \$12,000 figure as compared to other states would be as follows: He said that Arizona, Colorado and California, the latter was making the greatest effort, which was eight percent that their figure for the handicapped is \$12,215; that the \$12,000 would be all state money. With a one cent tax, when the locality had done two things, when they established their budget, they show the minimum that is fixed, and it is over with; that with 520 classes at \$ 12,000 per class, the support is fixed.

Senator Foley remarked if two and a half times anything above that, it is state dollars. The reply was: "Yes."

Mr. William Hammer, Director of Special Services for Churchill County School District, and Director of the Day Care Training Center, Churchill County Association of Retarded Children spoke regarding the situation in his district. He stated that they had 83 children in a class room, which is in excess of three percent; that they also had Lander and Lyon Counties

Mr. Larson said that there should not be a withdrawal of students; that there was \$1447 per youngster.

Mr. Hammer said that he felt special education was competing with normal education efforts; he stated that Churchill County had two blind children, nine physically handicapped, and one paraplegic in classes.

Senator Hug remarked, that according to latest figures from HEW, nationwide the figure was \$1600 per pupil.

Mr. Rose stated that two and a half percent was not acceptable.

The Chairman of the Senate Committee, Senator Hug stated that each house would consider their respective bills; that the Senate Committee would take up S. B. on Monday, February 21, 1971, at its regular meeting and set up a hearing before the Senate Finance Committee; that the Chairman of the Assembly Committee would consider A.B. 31 further, and take it up with the Assembly Ways and Means Committee.

There being no further business to come before the meeting, it was adjourned at 5:15 P.M. until further call of the respective Chairmen.

Respectfully submitted.

Esther Story, Senate Secretary

Jerry Smith, Assembly Secretary

APPROVED:

PROCTER R. HUG, Chairman
Senate Committee

GROVER SWALLOW, Chairman
Assembly Committee

ANALYSIS OF S.B. 5 and A.B. 31Assumptions: 1971-72

1. NRS 387.122 remains substantially the same, with weighted average basic support @ \$669 (Governor's budget).
2. Total weighted average daily attendance - 121,000.
3. 3,025 pupils attend special programs identified in S.B. 5, A.B. 31 (2½% of A.D.A.).
4. Average weighted value of multiplier in S.B. 5, A.B. 31, is 2.2, or \$1,472.

Then:

Under NRS 387.122, which requires counting all pupils, K-12 and those served in Chapter 388, basic support would be:

(1)	117,975 K-12 x \$669	=	\$78,925,275
(2)	3,025 Special Ed. x \$669	=	<u>2,023,725</u>

A total of \$ 80,949,000

Under S.B. 5 and A.B. 31,

(3)	3,025 Special Ed. x \$1472	=	\$ 4,452,800
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Total direct payments for
3025 Special Ed. (2) + (3) \$ 6,476,525

Also in basic support determinations, indirect support per pupil for Special Education must be identified.

Determination of this support is shown as follows:

Background:

Determination of basic support includes calculation of certified employee units that range in counts from 1 per 17.56 pupils to 1 per 18.37 pupils, a practical average of 18.

Basic support calculations as recommended call for \$8000 per employee unit. They also assume 2½% of school population to need special instruction for mentally retarded and physically handicapped minors, and call for \$750 basic support for each pupil assumed to be in that special category.

Analysis of S.B. 5 and A.B. 31
State Department of Education

Calculation of certified-employee-units assumes that for every 18 A.D.A., an employee can be supported.

3,025 A.D.A. divided by 18 is 168.
 Translated to dollars, these calculations and assumptions show:

3,025 A.D.A. x \$750	=	\$ 2,268,750
168 employee units @ \$8000	=	<u>1,344,000</u>
		\$ 3,612,750

\$3,612,750 divided by 121,000 A.D.A. = \$29.85 per pupil
 in A.D.A. attributable to Special Education costs.

(4) 117,975 x 29.85 = \$3,514,553

Total direct and indirect payments
 for Special Education (2) + (3) + (4) \$ 9,991,075
 or \$3302.84 per pupil for
 Special Ed. A.D.A.

Alternative for calculating Categorical Basic Support for Special Education

Background:

Determination of basic support includes calculation of certified employee units for non-rural districts in counts that range from 1 per 17.56 pupils to 1 per 18.37 pupils, a practical average of 18.

The Nevada Plan makes no requirement that any number of employees be assigned to any specific category of pupils. It only guarantees a level of financial support that assumes reasonably equal opportunities can be provided by districts when pupil/certified employee ratios are supported at the calculated rates.

Basic support calculations as now recommended would call for \$8,000 per employee unit. They also assume 2½% of school population to need special instruction in programs for mentally retarded and physically handicapped minors, and would call for \$750 basic support for each pupil assumed to be in that special category.

Estimated A.D.A. for 1971-72 is 121,000.

Assumed handicapped A.D.A. would be 3,025.

Calculation of certified employee units assumes that for every 18 A.D.A., an employee can be supported.

3,025 A.D.A. divided by 18 is 168.

Translated to dollars, these calculations and assumptions show:

3,025 A.D.A. x \$750	=	\$2,268,750
168 employee units @ \$8,000	=	<u>1,344,000</u>
		\$3,612,750

The expense of operating any program unit is contained mostly in salary for unit staff, commonly 70% to 80%.

The expense of operating a special education unit will include unusual expenses for special supplies, instructional materials, and maintenance.

Because average salary for handicapped teachers is now \$9,904 and will go higher, and because of other unusual non-salary expenses, a support level of \$12,000 per special education class would be realistic as a basic support amount to guarantee effective operation of such a class.

There are currently 291 special education classes in the state. Mr. Davis has identified a need for 319.

If 320 were anticipated next year, supported at \$12,000 each, the basic support requirement would be \$3,840,000. Anticipating 330 classes in 1972-73 would require \$3,960,000.

Deletion of identified support for special education in the current basic support would be \$3,624,750 in 1971-72 and \$3,747,750 in 1972-73. Results are shown as follows:

	<u>1971-72</u>	<u>1972-73</u>
Categorical support @ \$12,000 per class	\$3,840,000	\$3,960,000
Current identified support	<u>3,612,750</u>	<u>3,747,750</u>
	\$ 227,250	\$ 212,250

From the point of view of school administrators, they would see:

For 2½% of A.D.A., no \$750 per assumed handicapped A.D.A.

For (2½% of A.D.A.) divided by 18, no \$8,000 per calculated cert. emp. allotment.

That is, if 2½% of A.D.A. is 18, and no special education class is operated, the district will have \$21,500 less basic support than current.

If two special classes were operated, basic support would increase \$24,000.