

SENATE FINANCE COMMITTEE  
MINUTES OF MEETINGS  
FEBRUARY 6, 1973

The meeting was called to order at 8:32 a.m. Senator Lamb was in the chair.

PRESENT: Floyd R. Lamb, Chairman  
Warren L. Monroe  
B. Mahlon Brown  
James I. Gibson  
William J. Raggio  
Clifton Young  
Archie Pozzi

Howard Barrett, Director, Dept. of Administration  
William Bible, Chief Assistant, Budget Division  
Earl Oliver, LCB Fiscal Analyst  
Bob Tripp, LCB Deputy Legislative Auditor  
Dr. Kenneth Hansen, Superintendent of Public  
Instruction, Dept. of Education  
John R. Gamble, Deputy Superintendent and  
Coordinator of Division, Dept. of Education  
Robert Rose, Board of Education  
Lincoln W. Liston, Associate Superintendent,  
Dept. of Education  
Robert Best, Nevada State School Boards  
Shirlee Weedow, Nevada State PTA  
Tom Bowler, Clark County School District  
Kenny Guinn, Clark County School District  
Ed Greer, Clark County School District

The committee heard the Department of Education's budget which included pages 119 to 148 inclusive and page 152. of the budget.

During the current fiscal year the agency has 39-1/2 positions funded through the state and 26-1/2 federally funded positions. Because of a withdrawal of federal funds the Dept. of Education is requesting the state fund the consultant for textbook communications for \$15,349, an existing position.

The governor recommends the following new positions: education consultant - environmental education, alcoholics and narcotic drugs specialist, senior clerk typist. These positions would raise the figures to 39-1/2 state funded positions and 26-1/2 federally funded positions.

Seven individuals who have been federally funded by ESEA Title IV will no longer be funded due to a withdrawal of federal funds. This had been funded for three years, but after the two years it has been operating the federal

government decided to cut off funds. These are existing positions which if approved would require state funding. This program was established to research accountability in education. It was this program that ascertained that blacks were reading one year behind their grade and Indians were behind one-half year. They probe how students are responding to the delivery of education. The program was also established to help school districts with integration problems accomplish this in instances where court cases were involved. They also assist with intercultural education.

Dr. Hansen stated the Dept. of Education became involved with Clark and Washoe Counties' school districts because federal programs must be monitored by federal consultants to insure that they achieved federal objectives. He added that they enter into other projects only upon the request of the school districts.

Senator Lamb said he had received complaints that Indians weren't receiving benefits and asked if the Dept. of Education were really active in that area. Dr. Hansen said Title I and Johnson-O'Malley programs benefited Indians and as near as possible these were chosen by Indians and there was Indian participation.

They requested \$40,400 IN-STATE TRAVEL. Dr. Hansen stated this was necessary because the worst possible thing they could do would be to stay in Carson City shuffling paper instead of getting out in the field to develop better programs. He said 90% of their travel was based upon a request for service. He said in addition there were many statutory requirements for travel, for instance he must travel to each school district per year. He said he couldn't do this in twenty days in the field and with the amount of state travel funds allotted.

The travel was figured at twenty days for the superintendent and five associates, forty days for eight consultants, fifty days for two field auditors, all per fiscal year. They arrived at 540 total days at \$60 per day for a cost of \$32,400.

Dr. Hansen said there were twelve Board of Education meetings per year which cost \$6,000 for each meeting. He said since 1971 the makeup of the board has changed to reflect representation throughout the state, and this increases travel costs.

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Dr. Liston said that going back from 1965 to 1971 in-state travel had always been around \$28,000 and hadn't increased much. He said travel has been accomplished by using federal monies for travel.

The request for a deputy attorney general was made through the agency because by this it will be partly federally funded and the salary can then be transferred to the attorney general's budget.

The food item was money paid for prisoner's lunches when inmates were working for the Education Department.

The state received 1.3 million in federal funds for vocational education. This funding requires \$1 state money for every \$1 federal funds. Third party funding (by local school districts, the prison, etc.) also count as state matching funds. See page 128 of the budget. These funds are utilized by the community colleges, University of Nevada, Nevada State Prison, Highway Department. All vocational education funds are channeled through and coordinated by the Department of Education.

Dr. Liston said he had received information warning that congress may cut 40% of all federal funds they have been receiving. In addition these funds could be impounded, President Nixon might veto appropriations bills, etc. Mr. Barrett said President Nixon may cut such funds and then put about that same amount into revenue sharing, but we wouldn't know the conditions for receiving such money or the strings attached. He said this would be decided after the legislature had adjourned. This will affect about 11 million in educational funds. Dr. Hansen felt federal cuts would run as high as 50%.

Dr. Liston said specific programs might disappear but that they were concerned about many state mandated programs.

HIGHER EDUCATION STUDENT LOAN FUNDS - Page 133:

Generally these funds just sit as a reserve against defaults. There has been only a 4% default rate generally because banks have total control over loan selection.

FLEISCHMAN SCHOLARSHIPS - Page 135:

Dr. Liston said it was very unlikely this program would be curtailed due to the success of the program.

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NATIONAL EDUCATION DEFENSE ACT - Page 137:  
This is 100% federally funded and has been threatened to be cut off during the next four years. This money will help school districts buy equipment and will provide financial assistance for education but will not pay for personnel. It requires a one to one federal/state ratio.

INDIAN EDUCATION - Page 138:  
Johnson-O'Malley Indian education funds are 100% federally funded. This involves the school lunch program. Johnson-O'Malley funds go to public schools with Indian students. Recommendations of Indian people are involved with dispersal of these funds. Dr. Hansen said they (the Indians) are people not unlike other Americans who don't like their own leaders. He said they were not a cohesive group.

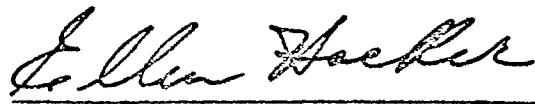
Senator Raggio left at 9:45 a.m.

Some of these funds were used, for instance, to bring Indian children back to school in the evening to allow them to take advantage of the library and other evening activities. They also purchased library books, etc.


Senator Lamb noted that the total/<sup>Federal</sup> funds for the entire state budget is 100,576,000 for 1973-74 and 97,246,000 for 1974-75.

The meeting adjourned at 10:45 a.m.

Respectfully submitted,

  
Secretary

APPROVED:

  
Floyd R. Lamb, Chairman