

## MINUTES

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 58th SESSION

February 10, 1975

The meeting was called to order by Chairman Mello at 8:00 A.M. in the Ways and Means Committee Room.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Dreyer, Mr. Glover, Mr. Howard, Mr. Robinson, Mr. Weise and Mr. Wittenberg.

ALSO PRESENT: John Dolan, Bill Bible, Dr. Hansen, Linc Liston and John Gamble.

Motion to approve the minutes of the meeting of February 6, 1975 was made by Mr. Bremner and seconded by Mr. Howard. Motion passed.

Mr. Hansen explained that the budget does not request any new programs or new positions. He stated they feel that they could operate, increase productivity and services without such increases. They had asked that five positions be transferred from the soft funding of Title V to the more secure state funding in Education Administration, but the fiscal analysis and Governor did not see fit to grant that request.

Mr. Dreyer questioned the Special Reports and stated that the work program for 74-75 was \$200 and they are now requesting \$17,000.

Mr. Bible explained that this included some special report activities but the \$17,000 was support costs for the 8 positions they requested be funded by the state General Fund. Currently they are supported by Title V.

Chairman Mello asked why they were asking that the state support these 8 positions. Mr. Hansen stated that the people performing these jobs are doing jobs mandated by state statute. Also, Title V is soft and threatens to get softer. It is their desire to have the current existing staff positions in the department more thoroughly established.

Chairman Mello asked that the Legal and Court services and the Other Contract Services be explained. He asked if they did not want the Deputy Attorney General in their office. Mr. Hansen stated that they were given an extra half-time Deputy Attorney General as requested by the department. At the time there seemed to be a need for additional legal services. They did not feel they were getting the extra services beyond those called for by statute. Mr. Liston explained that the service contracts were for servicing and repairing office equipment and machines. Mr. Bible stated that equipment covered by a maintenance agreement is listed in Other Contract Services and equipment that does not have a maintenance agreement is charged to Equipment Repair. Mr. Dolan stated that Xerox machines and MTST leasing charges would come out of this category as well as Service Contracts.

Mr. Weise questioned the high amount for Longevity pay. Mr. Liston stated that in this budget there is a chance for 43 people who have worked for the department ten or more years. Chairman Mello asked if the workload has increased to the percentage that they are asking for pay increases. Mr. Hansen stated no, they have just been underpaid. He stated that these are not proposed as raises in the sense of rewards for services or cost of living. There are 31 appointed Chief State School Officers in the United States and Nevada is ranked 31 in paying their Chief State School Officers and stated Nevada is \$17,000 below the median. The Board felt that under the proposed legislation they would like the authority to set salaries comparable to other education positions in the State. Chairman Mello asked if they had any proposals of letting someone else set the salaries. Mr. Hansen explained SB 12 and suggested they give the State Board of Education no authority or power, just the freedom to set salaries in the educational setting. Chairman Mello stated that a ceiling was placed on the salaries in the last session, and they went right to the top.

Mr. Weise asked what the rationale was of having the State Board of Education set the salaries. Mr. Hansen explained that they would like the State Board of Education to have the personnel freedom that everyone in the 17 school districts have. He stated that it didn't make sense in an educational setting to try to higher described positions and recruit,

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promote and assign according to a bureaucratic structure if they are stuck with a personnel system not designed for an educational institution. Chairman Mello stated that he did not feel that any more should be turned over to the State Board of Education than they already have.

Mr. Hansen explained that the salaries would be controlled by what is already paid in Nevada for a comparable position. Chairman Mello asked Mr. Hansen to explain SB 12 and asked how many people it would put into the unclassified service. Mr. Hansen explained that all of their professional people would be in the same position as the professional staffs of the school district, community colleges and universities. He stated there are 46 or 47 professional positions. He stated that they do not have operating flexibility and if they did it could be done within the available federal funds. Chairman Mello asked where the money would come from if these federal funds were lost. Mr. Hansen replied that if they had the unclassified people, but no positions, it is much easier to make adjustments than if they are in a classified service. They would be protected only by a contract written for the duration of whatever time it is written for. Chairman Mello stated that these positions can now be changed to unclassified and they still have the power to let people go if they want. Mr. Hansen stated that this was correct, but the salaries are only a major portion and they simply ask to get out from under the structures of personnel so they can operate. Mr. Gamble replied that the limits on the salaries would be established by law related to similar positions.

Chairman Mello asked if the staff would be willing to give up the classified position for an unclassified position at little increase in salary. Mr. Hansen stated that it would not be little increase in salary, but lesser. They should be willing to accept the same position and if they want security, they're not very interested in them. Mr. Hansen also stated that the legislature would control the authorized number of positions, but they could treat them as other educators are treated. They could set standards, and assign and promote the same way the School Boards do. Legislation should have control over the number of positions and the control that says that the salaries may not be higher than the average of what is already been customarily established in this state.

The Vocational Education budget was then explained. Chairman Mello asked why the state was involved in this. Mr. Liston stated that most of the dollars that come from federal allocations need to be matched usually at a 50-50 ratio. The non-federal dollars may be matched by either state appropriations or local district contributions.

Mr. Liston then explained that two general ledger dollars are involved in the contractual services. The personal services provide payment for conducting studies, evaluations, developing curriculums, etc., and the Other Services are payments charged to Education Administration for reimbursement of accounting services.

Mr. Liston then explained the Drivers Education Fund and stated that the school districts have been giving financial assistance for conducting these programs. He also explained the School Lunch Program and stated that federal dollars are made available to reimburse school districts for these lunches.

Chairman Mello asked how much matching funds are needed for the Adult Basic Education. Mr. Liston replied that the matching request is only 10%. Mr. Howard asked if they worked with the Department of Rehabilitation in any way and Mr. Liston replied to a limited extent. He stated the Department of Rehabilitation is more related to helping semi-handicapped people. Mr. Weise stated that the community colleges have replaced most of the adult education programs, and stated that this budget has not decreased at all. Mr. Liston explained that this budget is only for salary for one professional supervisor and one secretary. Chairman Mello asked if most of the people they were helping were drop-outs. Mr. Liston stated that the program is aimed at the adult whose basic education makes it difficult to acquire employment or to be able to participate in occupational training. Primarily it is aimed to bring the adult people to the minimum level of educational achievement in English or Arithmetic. They are mostly drop-outs.

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Mr. Hansen stated that the State Board of Education has a Vocational Advisory Commission that advises the State Board on how the money should be distributed. This provides an element of coordinating and they conduct annual surveys as to the effectiveness.

Mr. Robinson requested a copy of the report that the Adult Basic Education supervisor has to make to the federal government regarding how the money is spent and the number of students, etc. in regards to the Third Party Matching Funds.

Mr. Weise stated that there are several administrative agencies involved in vocational education. Mr. Hansen stated that each agency does a different part and they detect no duplication as the people are scattered all over. Mr. Gamble stated that most of the federal dollars flow through the Department of Education which gives a central location for funds flowed to different agencies.

Mr. Liston explained the Care of Deaf and Blind budget. He stated this program is 100% supported by the state. The monies spent furnish educational services to Deaf and Blind children of Nevada who cannot be served in local school districts. 37 of these children are placed in Out of State institutions.

Mr. Liston then explained the Higher Education Student Loan Funds. He stated that it is a requirement of the program that the state have in cash a minimum amount of money as a guarantee of loans that might not be repaid by the borrowers. He stated there was quite a bit of delinquency. Chairman Mello asked the procedure for collecting these unpaid loans. Mr. Gamble replied that the bank uses every effort to get the return of these monies. The United Student Aid fund then takes over the collections. He stated there is a fee required by all students who borrow and that a loan could be from \$2000 to \$10,000. He also stated that the qualifications for a loan are a resident of Nevada attending an accredited institution in the United States. The amount of the loan is based on the need, the courses taken, the institution they are attending, etc. Chairman Mello asked of the number of loans what percentage are drop-outs. Mr. Gamble stated they have no statistics developed and in guessing, he stated it would be a high percentage. He also stated that the bank has the final say on a loan and the interest rate is 7% and they have ten years to repay the loan. He also stated that they have not experienced any abuses in Nevada.

Mr. Liston then explained the Advisory Commission on Environmental Education. He stated that they allow the Commission to meet 3-4 times a year. Chairman Mello felt that this whole budget could be stricken unless they become more active. Mr. Hansen stated that he felt they will become more active because of a change in the members.

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Mr. Liston then explained the National Defense Education Act. He stated this was a federal program in the beginning to provide more rapid training in sciences, foreign languages and mathematics. He stated the amount of money they have been getting is becoming smaller and is spent to help school districts acquire equipment to help in teaching these courses. He stated these are more complicated mathematics and sciences and the equipment necessary for these courses including language labs, is expensive.

The Comprehensive Employment Training Act was explained. This Act replaces the Manpower Development and Training Act. The federal money that becomes available for this Act goes through the Governor or Employment Security Department, but 5% of state allocations must go through the vocational parts of the Act, which is about \$200,000 a year. Mr. Liston then explained the contractual services. He stated that the budget requests were made estimating that most of this money would be spent for paying somebody for personal services to develop aspects of the Act. Most of the CETA money would be for training expenses.

Mr. Liston stated that the Fleischmann Scholarship fund would go out of business in 1982. There are no state dollars involved in this fund.

Mr. Liston explained ESEA Title VI which provides grants to school districts for the education of handicapped children; ESEA Title V and ESEA Continued which provides paying salaries of federally supported positions.

The Teacher Training for Handicapped Children was explained by Mr. Liston. He stated that most of this training is done at universities. He stated the contractual services were for personal services to develop training programs.

The Education Civil Rights Title IV provides a liaison between the community and the Department of Education where there is court ordered integration. Mr. Hansen stated that an Indian Education Consultant is provided under this program. This provides services to Indian Children and Negro children. Mr. Hansen explained the Indian Education budget is a request that enough money be set aside to maintain the two activities which are legislative demanding: The Education Advisory Council and the Indian Education Consultant. He stated that they are not the disburser of the Johnson-O'Malley fund any more. He stated that the Johnson O-Malley fund can now be used for anything that they can convince the BIA is good in or out of school. They have a new policy called Self-determination which has gone so far that they can set up on their own volition segregated Indian Schools. Mr. Robinson stated that this money is going directly to the tribal councils and they can set up their own Indian schools.

The meeting adjourned at 10:45 A.M.