

SENATE FINANCE COMMITTEE  
MINUTES OF MEETING  
APRIL 16, 1975

558

~~138~~

The meeting was called to order at 8:10 a.m.

Senator Floyd R. Lamb was in the Chair.

PRESENT: Senator Floyd R. Lamb, Chairman  
Senator James I. Gibson, Vice-Chairman  
Senator B. Mahlon Brown  
Senator William J. Raggio  
Senator Clifton Young  
Senator Warren L. Monroe  
Senator Lee E. Walker

OTHERS: Lincoln Liston, Education Administration  
Smokey Davis, Education Administration  
Marvin Picollo, Washoe County School District  
John Gamble, Education Administration  
Dee Davis, Mental Health Institution  
Evelyn Kick, Winning Independence for Severely Handicapped  
Jack Campbell, UNR  
Pat Shank, Exceptional People Advisory Committee  
Frank Gross, Nevada Association For Handicapped Children  
Dick Morgan, Nevada State Education Association  
Kenny Gwen, Clark County School District  
Howard Barrett, Budget Director  
Ron Sparks, Fiscal Analyst  
Cy Ryan, UPI

DISTRIBUTIVE SCHOOL FUND

Senator Young asked Mr. Lincoln Liston to review the formula. Mr. Liston said that the original request was for 18% for the first year, and 14% for the second year. Senator Lamb asked what this meant for 1%. Mr. Liston said \$1,300,000 in dollar terms. Mr. Liston continued and said that out of their request there are what is called "set asides", such as the following:

- a) 75% for transportation of the last current year; and this means \$3,672,000 for the first year, and \$4,128,000 for the second year.
- b) Handicap Support Units --  
494 Units for the first year and 538 Units for the second year; and in terms of dollars, this means \$7,904,000 for the first year, and \$8,608,000 for the second year.
- c) The remainder is given to the districts in accord with ratios computed from the number of pupils and teachers.

Senator Lamb asked how the mentally handicapped and the proposed age expansion are to be treated. Mr. Smokey Davis said that 73 children between the ages of three and four years old are receiving care, but no educational benefits. Senator Raggio asked why those children from five years to eighteen years out of this 73 aren't receiving the educational instruction. Mr. Davis said because the counties are already using the maximum number of units available. Mr. Marvin Picollo said that Washoe District is already using 99 units, and they still

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559

~~12~~

PAGE TWO

can't reach everyone. Senator Lamb asked what was the best thing that can happen to them. Mr. Davis said to get them out of the institutions. Senator Walker asked if Mr. Davis was referring to those in the cottages or the severely retarded. Mr. Davis said both. Mr. Davis said that if two out of the 73 mentioned were institutionalized, it would cost the State over \$1 million for their life, and there is a moral obligation to get them out of the institutional environment.

Senator Lamb asked if Mr. Davis was concerned with taking care of the on-going program. Mr. Davis said that his top priority was to expand the age of receiving assistance to the younger children. Senator Gibson asked how many units including the three year olds would be, and the number of units for just the four year olds. Mr. Davis said that twelve units would be needed for the three and four year olds, and about half of that for just the four year olds. Senator Young asked if adding the four year olds will change the bottom line on the Distributive School Fund budget. Mr. Liston said that if the units are increased, but the money for this is not appropriated, then the money for the handicap units is increased, and the regular fund money is decreased.

Senator Gibson stated that the Committee has to work with the revenue budgeted by the Governor, and if the agency request is to reduce the 60 units, or reduce the Basic Support, what would be the impact of this. Mr. Picollo said that this was an unfair question, as who is to say whether salaries or handicapped children are more important. Senator Gibson said that it appeared that this is the decision the Committee is being asked to make.

Senator Young asked if any action had been taken on law suits involving the handicap units. Senator Raggio said that whatever is done with this, due to lack of funding, the State will be faced with litigation.

Senator Young asked how much more money is necessary after the approval of the 60 units. Mr. Liston said \$2.2 million the first year, and \$11.5 million for the second year. Senator Gibson said that this is not just for the handicapped.

Mrs. Dee Davis said that there is a savings to the State by having children taken out of the institutions. Mrs. Davis said that in 1968 \$200,000 was saved in per diem by the State, and at today's cost the State would save \$3/4 million at \$33.00 per day. Mrs. Davis said that no educational or supportive services are available to these children. Mrs. Davis said that the State pays \$900,000 per year for 76 people in the institution, and most are in for at least ten years.

Senator Lamb asked how many people would be removed if the lower-age program were put into effect. Mrs. Davis said a low estimate would be 1/4 to 1/2 of them. Senator Raggio asked if the Children's Behavioral Center would relieve some of this. Mrs. Davis said that the Institute only has about five children to whom this program applies. Senator Raggio asked Mrs. Davis if she thought it best not to have an institution. Mrs. Davis said that the need for 24 hour residential

PAGE THREE

service will always be needed for a minute portion of the population, however this can be decreased by supportive community services. Mrs. Davis told Senator Gibson, that the Institution does not have a waiting list.

Mrs. Evelyn Kick in speaking of the W.I.S.H. program said that the difference between the three year olds coming into the program and not having them until five can make a tremendous difference, and she cited two different cases where this did make a difference in development. Mrs. Kick said that she knew of twenty cases where institutionalization was recommended by the physician, and if the parents refused to do this, they had no where else to turn. Senator Raggio said that it was interesting that Mrs. Kick had stated that no Mental Retardation Institutions are equipped to handle these cases, as other testimony conflicted with this. Mrs. Kick replied that these institutions are not equipped for rested care, but do offer care in the home.

Senator Raggio asked Mr. Picollo if Washoe County has any handicap units at the Mental Health Institute. Mr. Picollo said that six units are used whereby the District picks up children from five to eighteen years old at the institution and takes them to school for three to five hours in classroom situations. Mr. Picollo said that last year they had two teachers at the Institution, but have discontinued this, as to have them in classrooms is more effective.

Mr. Jack Campbell gave a video presentation on the progress of three to five year olds in a classroom setting. Mr. Campbell said that retarded functions are taught, and therefore can be unlearned.

Senator Lamb asked if the State could save any money if the age were lowered. Mr. Campbell said yes, because if taken at three years of age, by the time these children reach puberty, they could probably be filtered back into the regular school system.

Mrs. Pat Shank said that it is immoral, not to train a child at a lesser level. Mr. Frank Gross said that the Nevada Association for Handicapped Children supports the three to twenty-one age expansion bill.

Mr. Dick Morgan said that the budgets of all Nevadans ought to share equally in the expansion. Senator Young asked if Mr. Morgan would then support the 15% and 0% proposal for classified employees. Mr. Morgan said no, he would have to support the original Governor's recommendation. Senator Young said wouldn't your people be willing to forego a salary increase in order to cover your 18% and 14% request. Mr. Morgan said that his testimony would have to be 'no sir'. Senator Young asked where can we get more money for the Distributive School Fund. Mr. Morgan said that the only revenue he could see would be from the Estate Tax Rebate. Senator Gibson said that the Nevada State Tax Commission is proposing changes in the Sales Tax, and wondered if it was possible to move outside the referendum for school support, and how will future needs be met. Mr. Morgan said

PAGE FOUR

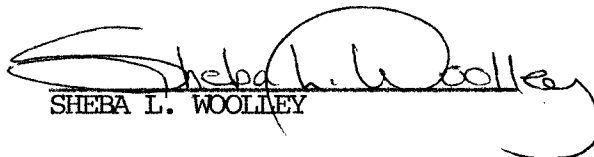
he was not aware of this implication, and would have to survey the teachers, and get back to the Committee. Senator Lamb said to Kenny Gwen that he believed that the districts might be regretful of the invasion of this sales tax structure. Mr. Gwen said that this would be reviewed.

Mr. Gwen testified that the Superintendents attempted to develop a package that would give a percentage increase to the Distributive School Fund over the Biennium. Mr. Gwen said that there should be a 10% increase in salary for all district employees for the first year, and a 14% increase for the second year. Mr. Gwen said, however, the Governor recommended 17 % and 7%, and we wanted a trigger device in accord with revenue to go up to the 18% and 14% request. Senator Raggio asked how did Mr. Gwen respond to the Governor's position that 17% and 7% is adequate. Mr. Gwen said that the districts judge their projections from entity roll-up costs. Mr. Gwen said that in Clark County that without an increase in students, or salary, there will still be increases next year, and with the 18% and 14% increases the County could project an ending balance of \$2 million.

Senator Young said that he is concerned about equality between the teachers and the state employees. Mr. Gwen said that last session teachers received a 3 1/2% (1% for retirement) increase, and last year a 5 1/2% increase across the board. Mr. Gwen said I don't make comparisons unless there is position parity, but I can't compare teachers to professionals.

There being no further business the meeting was adjourned at 10:45 until 7:00 p.m. of the same day.

RESPECTFULLY SUBMITTED:

  
SHEBA L. WOOLLEY

APPROVED:

  
FLOYD R. LAMB, CHAIRMAN