

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS
Seventy-Third Session
April 18, 2005**

The Committee on Ways and Means was called to order at 8:33 a.m., on Monday, April 18, 2005. Chairman Morse Arberry Jr. presided in Room 3137 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Mr. Morse Arberry Jr., Chairman
Ms. Chris Giunchigliani, Vice Chairwoman
Mr. Mo Denis
Mrs. Heidi S. Gansert
Mr. Lynn Hettrick
Mrs. Ellen Koivisto
Ms. Sheila Leslie
Mr. John Marvel
Ms. Kathy McClain
Mr. Richard Perkins
Mr. Bob Seale
Mrs. Debbie Smith
Ms. Valerie Weber

COMMITTEE MEMBERS ABSENT:

Mr. Joseph M. Hogan (excused)

STAFF MEMBERS PRESENT:

Mark Stevens, Assembly Fiscal Analyst
Steve Abba, Principal Deputy Fiscal Analyst
Bob Guernsey, Principal Deputy Fiscal Analyst
Linda Smith, Committee Secretary
Susan Cherpeski, Secretary

Chairman Arberry said [A.B. 209](#) would be the first bill to be presented.

Assembly Bill 209: Provides for establishment and implementation of pilot programs for prekindergarten children with limited proficiency in English language. (BDR S-827)

Assemblywoman Debbie Smith, representing District 30, said [A.B. 209](#) addressed the needs of prekindergarten children with limited proficiency in the English language. The bill would provide funding to school districts to establish pilot programs for prekindergarten students during the summer before their kindergarten year.

Mrs. Smith read from prepared testimony as follows:

The Department of Education shall prescribe a form for districts to use for application and shall develop a uniform method for

evaluation of the pilot programs that provides longitudinal information. Districts shall present a plan that will provide the number of children who may be enrolled in the program, set forth the screening manner for the children, and ensure that there will be one teacher and one paraprofessional in each classroom, at least one of whom must speak, read, and write both the English language and the primary language of the children enrolled in the class.

Mr. Chairman, what makes this bill different is that the program requires partnership between the state, the school district, and a private funding source. The district must obtain private matching funding as well as commit to providing building and maintenance costs to be able to utilize this program. The bill also provides up to \$1,000 for each school to utilize to promote parent involvement with the parents of the students enrolled in the summer program.

It is my hope that these programs will be able to demonstrate success, and then the schools could be eligible to apply for remediation grants to continue or expand their programs in future years.

As we all know the number of English language learners is growing exponentially. According to a Department of Education report, the number has risen from 5,173 in 1989 to 14,296 in 1994, 40,469 in 1999, and 69,896 in the 2003-2004 school year.

A.B. 209 is a small step in identifying programs that will work to give our students the opportunities they need to be comfortable in a learning environment and to be on par with their peers. If we give these kids the chance at the beginning of their education, imagine what their experiences can be like and then begin to envision a world where we spend more money on enrichment and expansion than on remediation.

Mrs. Smith referenced the matching funding and said she wanted the pilot programs to be a partnership that would allow for more services. She said Mr. Bob Lissner of Lifestyle Homes, Inc. offered to fund the total match requirement for the Washoe County School District (WCSD) program. With the funding, the WCSD would be able to initiate the pilot programs in 14 schools. Mrs. Smith said the combination of the State's contribution, the districts providing building and maintenance, and the matching funding would result in a successful program.

Ms. Giunchigliani asked for additional information on the funding included in A.B. 209, and Mrs. Smith said the bill included \$175,000 to be disseminated to the local school districts. Ms. Giunchigliani voiced concern that the funding was not sufficient to support a teacher and a paraprofessional for the program. Mrs. Smith explained that the school districts would provide the teachers and the paraprofessionals required to support the pilot program. It was important that there be two adults in each classroom to provide sufficient support; one of the adults would speak the primary language of the students. Mrs. Smith said the assumption was that most, if not all, of the classes would be for Latino children, but the bill was written so that a pilot program could be provided for students having a primary language other than Spanish. Ms. Giunchigliani pointed out that there was a large population in southern Nevada having very diverse languages and she wondered about the number of district staff

proficient in various other languages. Mrs. Smith said the school districts had not presented testimony related to the various languages that could be accommodated; however, the intent of the bill was to not limit the pilot programs to any one language.

Assemblywoman Leslie asked if the match requirement was a "hard match," and Mrs. Smith answered affirmatively. Ms. Leslie asked how the Clark and Washoe County School Districts would raise the match. Mrs. Smith said part of her goal was to have the matches in place relatively soon. During a meeting of the Assembly Education Committee, the Clark County Chamber of Commerce testified in support of A.B. 209 and had indicated they were willing partners in southern Nevada.

Assemblyman Marvel asked if all the funding had to be in place before the funds could be appropriated to the school districts. Mrs. Smith said the intent of the bill was to have the money committed from a private source prior to moving forward with the pilot program.

Assemblyman Denis pointed out that because he had entered kindergarten without speaking English his ability to communicate well with his classmates was limited. Mr. Denis said he would have benefited from a prekindergarten program similar to the one presented in A.B. 209 and stressed that similar types of programs needed to be supported.

Mrs. Smith said subsection 6 of A.B. 209 included a stipend for each participating school to promote parental involvement. It was important to find ways to involve the parents from the beginning of the school experience. Each school would be required to develop some activities related to parent involvement. Mrs. Smith noted that the language might not be clear and explained that the intent of the bill was that the \$1,000 would be awarded from the \$175,000 appropriation. Ms. Giunchigliani said that in the past there was a Side-by-Side program that had been effective, and she asked Mrs. Smith to obtain information on the results of that program. Mrs. Smith agreed with the request and said she would also look at clarifying the language in subsection 6.

Mary Ann Robinson, English as a Second Language/Foreign Language Coordinator, Washoe County School District (WCSD), testified in support of A.B. 209. She said in the fall of 2004 the WCSD had 1,401 English Language Learners (ELL) enrolled in kindergarten classes. Ms. Robinson indicated that those ELL students would have been much further ahead if they had participated in an English language class prior to kindergarten. Ms. Robinson said if A.B. 209 passed, the WCSD planned to hold a six-week summer school program, four hours a day, four days a week; a total of 96 hours for the students to work on English language oral development. Research showed that literacy development was delayed if instruction occurred in a language the students did not speak.

Liz Warner, Washoe County School District, stated that she was a teacher on special assignment as the Program Coordinator for the district and supported A.B. 209 because of the oral language development possibilities. Ms. Warner said:

Oral language is a foundation skill that students bring to school. Although students come to school with different levels of competence in their speaking and listening abilities, they bring their oral language and experiences as strengths to literacy learning. Oral language is the foundation on which reading is built.

Students' oral language abilities are interwoven with their learning to read and write. The oral language students bring and acquire as preschoolers helps them connect words and sound with print. Any competence that students develop in oral language paid dividends in their reading and writing development later on.

Ms. Warner stated that an "English-only" student entering school in Washoe County began school with a vocabulary between 5,000 and 10,000 words; a child entering school with no English skills who had spent four or five years developing oral language in another language was at a strong disadvantage. The program would allow prekindergarteners to begin building oral language during a six-week period over the summer and would allow them to enter kindergarten on a more equal level.

Assemblywoman Leslie noted that as a teenager she learned Spanish orally as an exchange student in Madrid, Spain, and understood how difficult it could be to learn another language. Ms. Leslie also felt that oral language development provided an advantage for students prior to literacy learning. She suggested using the Foreign Language Department of the University of Nevada System to possibly obtain staff to serve as the paraprofessional or teacher for the pilot program.

Mary Ann Robinson, representing the Washoe County School District, advised that the district's ESL (English as a Second Language) teachers, aides, and assistants would be used for the summer school pilot program.

Ms. Leslie asked Assemblywoman Smith if there would be a problem finding appropriate teachers and aides for the pilot program in rural areas. Mrs. Smith indicated that details had yet to be worked out with the rural school districts.

Ms. Leslie asked if any other states had provided a similar pilot program. Ms. Robinson stated that a school district in Arlington, Texas, had all-day, year-round prekindergarten and kindergarten programs for ESL to prepare the students for entering first grade. Nevada's pilot program was a modest, but positive, start in oral language learning.

In conclusion, Mrs. Smith reiterated that she wanted to do something at the beginning of the education process to resolve some of the issues for the large number of students coming into the system without English skills, rather than having to backfill and remediate later. Through the pilot program there would be the ability to track the participants and generate data that would be helpful in coming years. She referenced the funding and said A.B. 209 included an appropriation of \$175,000; \$100,000 for the Clark County School District, \$50,000 for the Washoe County School District, and \$25,000 for the remaining school districts.

Carole Worthen, Principal, Echo Loder Elementary provided statistics on the school:

- 97 percent free and reduced lunch
- 92 percent minority population
- 89 percent of the minority students were Latino
- 82 percent of the students were certified as ESL students

Ms. Worthen said Echo Loder staff supported A.B. 209 and recognized passage of the bill would have a positive impact on the students. She said her staff had offered some very creative educational adaptations at the school to try and

meet the needs of the students. Ms. Worthen stated that many of the students received no pre-schooling and had not experienced a structured environment prior to entering school and did not understand the need to focus. She said Echo Loder had a "jump start program," a limited pre-school program. Prekindergarten children attended a program prior to the beginning of the school year. The children were selected based on language used at home and education prior to entering school. The children attended school three hours a day for three weeks with a certified ESL instructor and a bilingual assistant. The program proved to be very good for the children who, even though they continued to be confused about much of the language, had learned many of the basics and were ready and willing to enter kindergarten, in contrast to those who had not attended the prekindergarten program.

Martha Silva said she was the parent of an Echo Loder student and said a few years ago she was a parent liaison and was currently student teaching at the school. Ms. Silva said she had worked for an entire month with a kindergarten student who had limited proficiency in the English language before the child became comfortable with school. She had spent an entire hour with the student each school day. Ms. Silva stated her support of the pilot program and said she thought the program would alleviate much of the kindergarten students' anxiety.

Ms. Giunchigliani said it seemed ironic that in 2005 there continued to be debate on the issue of whether to fund full-day kindergarten. She noted that Nevada was the last state in the nation to require mandatory kindergarten. Mrs. Smith recalled that Carlos Garcia, Superintendent of the Clark County School District, testified before the Assembly Education Committee and indicated he had entered kindergarten without knowing English. She said it was compelling to think about a child entering school speaking only Spanish and rising to the important position of Superintendent of Schools. Mrs. Smith emphasized that the pilot program for prekindergarten children would benefit both the children and teachers.

Douglas C. Thunder, Deputy Superintendent, Administrative and Fiscal Services, Nevada Department of Education, said the Department would certainly support the prekindergarten pilot program.

Kathy St. Clair, Assistant Director, Office of Special Education, ESEA, and School Improvement Programs, Nevada Department of Education, said she was also the Director of Title I and strongly supported A.B. 209. Ms. St. Clair said there were a couple of language issues that might need clarification. The first issue related to the longitudinal evaluation. The Department felt it might be difficult to do a longitudinal evaluation after three months. There was also an issue with the common language reference.

Janie Lowe, Consultant, Early Childhood Education, Nevada Department of Education, provided background information. The Department had some state-funded prekindergarten programs and the data generated by those programs indicated that an early childhood experience supported gaining English language skills and being prepared for kindergarten. Ms. Lowe said non-English speaking children who entered the prekindergarten program for a minimum of four months had an overall 81 percent gain in their English language skills. For auditory comprehension and expressive communication the same group of students had a 91 percent gain. Ms. Lowe said the students went from well below average to in, or almost in, the average range, which was an amazing increase. The pilot program included in A.B. 209 would be a wonderful addition to all the other early childhood programs.

Ms. Lowe referenced the longitudinal evaluation and said the students would be identified and would receive services in the summer of 2006 and then by February of 2007 the longitudinal report would be generated by the Department, less than a year after the students were identified. Ms. Giunchigliani pointed out that screening occurred at both the beginning of and exit from the program, and the screening would show what growth and changes were made. She said a longitudinal evaluation would be for a longer period of time. Ms. Giunchigliani suggested adding wording to the bill that would include a combination of screening and longitudinal evaluations and then tracking a target population to determine the impact the pilot program had on the participants by grade 3.

Ms. Giunchigliani asked if there needed to be a reference to common language. Ms. Lowe said part of the teaching strategy was learning key phrases in the child's native language and she thought there could be an equally effective program with the inclusion of different language children and said she did not know if there was a need to "pin in" to common language, which would open up options for a larger audience of children. Ms. Giunchigliani asked if the children were assessed in their native language to ascertain if they needed assistance. She noted that it was easier for a child who was proficient in his or her own language to learn a new language. Ms. Lowe acknowledged it was important to look at the goals of a program and what needed to be measured. Ms. Giunchigliani said she thought the goal was to have the students become proficient in English in order to reach the average range referenced earlier in the meeting by Ms. Lowe. She pointed out that a youngster having difficulty in his own language might signal possible learning disabilities. Ms. Lowe agreed and said the goal of the early childhood program was to have students become more proficient in English, but if there were indicators that there might be a special education issue then further assessment would be encouraged and there would possibly be a referral to the Child Find Program.

Ms. Leslie said the emphasis was on English skills when she received instruction for teaching English even though there might have been 20 speakers with a variety of different languages who appeared before the class. She asked if Ms. Lowe was suggesting changing the part of A.B. 209 that required the native language speaker to be in the classroom in order to make the requirements more flexible. Ms. Lowe indicated it was always good to have a teacher who could communicate with the native language speaker. She pointed out that over 54 different languages were represented in Nevada and suggested an alternative strategy of connecting with the parent to determine the key phrases, either through a community translator, teacher, or other staff in the classroom. Ms. Lowe said having that native language teacher was ideal, but there were strategies that would support children who spoke other languages. Ms. Leslie suggested the change in the requirements might be preferred, but was not necessary. She asked Mr. Thunder if the suggested change in A.B. 209 would make the implementation of the bill easier, and Mr. Thunder replied that he did not think the change would make a big difference.

Assemblywoman Smith interjected that the intent was to have someone in the classroom that could speak the language of the children in the classroom. Perhaps a plan could be developed to have more than one paraprofessional in a classroom for the different languages. Mrs. Smith said she wanted to stay focused on the intent of the pilot program, which was to provide the greatest number of children assistance in the classroom. She emphasized that the districts could be creative in developing their plans to try to help as many children as possible, and said it was extremely important that the native language speaker be within the classroom.

Ms. Giunchigliani stated that the goal was to get the children as proficient in English as possible. She pointed out that not all the school districts had paraprofessionals. The pilot program would be a summer school program and she asked if there had been discussions in previous meetings related to hiring part-time staff, or would existing staff be used for the program. Mrs. Smith said she thought the districts could use existing paraprofessionals. The districts had indicated they would be able to provide staff for the classes. Ms. Giunchigliani said it was unfortunate that support personnel were generally laid off after the nine-month school year. Mrs. Smith said the pilot program would give support staff the opportunity to continue employment, which would help the schools and the staff. She referred to the longitudinal data and said the intent when drafting the bill was to track the children, and that process would have to be developed by the Department of Education. Mrs. Smith said she wanted to see the results of the first criterion-reference tests (CRTs) to determine if the pilot program made a difference. It was important to look at the prekindergarten screening and the results for that year and also important to study the results longer term. The intent was for both a short-term and a longitudinal study. Mrs. Smith said because there were three different funding sources for the pilot programs there needed to be a strong accountability built into the bill.

David Schumann, Independent American Party, said in the late 1800s and early 1900s there was a wave of immigrants entering the nation that made the current wave seem small. The early immigrants spoke a variety of languages and the teachers at the time never had to address an ESL program. There was a second, smaller wave of immigrants in the mid-1900s who did not speak a common language. Mr. Schumann stated that the lesson learned from earlier immigrants was that the very best method to teach young children was English emersion. He said, "You dump them in, and that's it." At an early age children learned different languages easily and quickly. Mr. Schumann said English as a Second Language was not needed and pleaded with the members to not pass A.B. 209. He noted that a significant number of immigrants in the United States were not Spanish speaking. Mr. Schumann thought it would be difficult to find a sufficient number of paraprofessionals to provide services for prekindergarten children. He said A.B. 209 sounded good, but the education community needed to stay with what worked in the past.

Ms. Giunchigliani said the members appreciated Mr. Schumann's presentation. She indicated that the world had changed and said the intent of the pilot program included in A.B. 209 was to save money in the long run by not having to fund remediation at a later time.

Mr. Denis said that in addition to learning English, the pilot program would result in children learning as quickly as possible in order to take full advantage of the educational system.

Vice Chairwoman Giunchigliani closed the hearing on A.B. 209.

Chairman Arberry said the Committee needed to close some budgets.

DEPARTMENT OF CULTURAL AFFAIRS – BUDGET CLOSINGS
CULTURAL AFFAIRS ADMINISTRATION (101-2892)
BUDGET PAGE CULTURAL-1

Mark Stevens, Assembly Fiscal Analyst, Fiscal Division, Legislative Counsel Bureau, referred to the closing list for the Department of Cultural Affairs and

addressed Budget Account 2892, Cultural Affairs Administration, and noted 2 new positions were recommended, a Management Analyst II and a Computer Systems Technician III. The Department justified the Management Analyst II position based on additional requirements placed on the Department by either the Department of Administration or the Department of Information Technology (DoIT). The Management Analyst would also assist the Administrative Services Officer to address internal control issues placed on the agency. The Department had one Computer Technician having responsibility for 153 FTE positions.

Mr. Stevens said the Committee needed to decide whether to approve the 2 additional positions recommended by the Governor. He continued and noted that a total of \$145,750 was recommended in FY2006 and \$41,765 in FY2007 for new and replacement computer equipment to support the needs of the entire Department. Mr. Stevens referred to the Nevada Humanities Committee and said A.B. 102 included a \$200,000 one-shot appropriation recommended by the Governor to support the Nevada Humanities Committee during the 2005-07 biennium. Assembly Ways and Means members had briefly discussed the option of having the Humanities Committee placed into a budget account supported by ongoing funds. Mr. Stevens said one way or the other, the Humanities Committee would be funded. Another item for consideration by the members was \$75,000 recommended in E-325, which would be distributed to the Governor's Advisory Council on Education Related to the Holocaust. There had been discussion in a prior hearing on whether \$75,000 should be provided in each year of the biennium. The remaining two items related to the unclassified salaries recommendation and a bill that was in Senate Finance on the Nevada Online Encyclopedia.

Assemblyman Marvel said he preferred the one-time appropriation for the Governor's Advisory Council on Education Related to the Holocaust. He had concerns that the base budget would continue to increase and there might not be sufficient funding available in future years.

Ms. Giunchigliani said every session the Legislature had to put funding in the budget through a bill for both the Humanities Committee and the Holocaust Council and she felt it was time to include the funding as a line item in the budget. She noted that E-325 only provided funding of \$75,000 for the Holocaust Council in FY2006. Ms. Giunchigliani recommended providing \$200,000 for the Humanities Committee.

Mr. Stevens suggested that if the Committee wanted to provide ongoing appropriations for the Humanities Council it would be best to provide \$100,000 in each year of the biennium.

Chairman Arberry stated that over the years funding for the Holocaust Council had been an issue and said he wanted to make certain funding remained in the budget for the Council.

Mr. Denis referred to the new Computer System Technician III position included in E-250 and pointed out that the recommended employee/technician ratio was between 75 and 125 FTE positions per technician. Because the technician would have responsibility for assisting approximately 154 positions, Mr. Denis said he thought the new position was warranted.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE THE BUDGET WITH THE TWO NEW POSITIONS AND TO INCLUDE IN THE BUDGET FUNDING OF \$100,000 IN EACH YEAR OF THE

BIENNIUM FOR THE HUMANITIES COUNCIL AND \$75,000 IN EACH YEAR OF THE BIENNIUM FOR THE HOLOCAUST COUNCIL.

ASSEMBLYMAN DENIS SECONDED THE BILL.

Mr. Seale asked what would happen to A.B. 102, and Mr. Stevens replied that the Committee could either not vote on the bill or indefinitely postpone the bill.

MOTION CARRIED WITH MR. MARVEL, MR. HETTRICK, MRS. GANSERT, AND MS. WEBER VOTING NO. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**COMSTOCK HISTORIC DISTRICT (101-5030)
BUDGET PAGE CULTURAL-7**

Mr. Stevens said the issue to be considered by the Committee was the addition of a .51 position being recommended in BA 5030. Currently the Comstock Historic District operated with a staff of 1.51 positions. A 4,000-square-foot building was under construction to replace the existing 300-square-foot building. The new building would house the agency and provide exhibit space for Railroad Engine Number 27 in Virginia City. The agency felt the new half-time position, which was recommended by the Governor, was needed to adequately staff the expanded facility. Technical adjustments on small items had been made to the budget.

ASSEMBLYMAN MARVEL MOVED TO CLOSE THE BUDGET WITH STAFF RECOMMENDATIONS AND TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN SEALE SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**STATE HISTORIC PRESERVATION OFFICE (101-4205)
BUDGET PAGE CULTURAL-11**

Mr. Stevens referred to the State Historic Preservation Office, BA 4205, and said the Office had responsibility for the annual distribution of \$2 million in cultural resource bonds to the Commission for Cultural Affairs, who awarded competitive grants to preserve historic buildings. The authority for the issuance of the annual grant funding had expired. Mr. Stevens said S.B. 4 would extend the program an additional ten years; the annual grant authority would increase from \$2 million to \$3 million. Mr. Marvel interjected that he was in favor of extending the annual grant authority.

Mr. Stevens said Decision Unit E-252 recommended an additional position to work on the archaeological GIS-based database. The General Fund would support the new position in the amount of \$16,527 in FY2006 and \$24,273 in FY2007. There had been discussion during the agency budget hearing on whether there were fees that could be charged to help support the position, but

the agency reported that there were some restrictions related to fees. The agency did indicate that a nominal fee could be charged if the Committee so desired and suggested the fee be used to enhance the program rather than an offset to the General Fund. Mr. Stevens said there was also a funding adjustment for the existing Historic Preservation Specialist I position due to projected reductions in interest earned on the cultural resources bonds; the agency recommended that funding for the position be split between interest earnings and federal funds.

Mr. Stevens concluded his presentation and said the items just referenced were the only items other than technical adjustments.

ASSEMBLYMAN MARVEL MOVED TO CLOSE THE BUDGET AS RECOMMENDED BY THE GOVERNOR INCLUDING TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present to vote.)

BUDGET CLOSED.

**NEVADA STATE LIBRARY (101-2891)
BUDGET PAGE CULTURAL-18**

Mr. Stevens said there were no real closing issues in Budget Account 2891 and briefly reviewed the items included in the closing document. He noted that there was an annual 7 percent inflation increase recommended in M-101 for book acquisitions. One technical adjustment had been made.

Ms. Giunchigliani said she wanted to spend some time discussing the \$1.2 million that was not included in the budget and indicated it was time to restore some of the funding. Ms. Giunchigliani said the funding would reinstate the collection development funds.

Chairman Arberry held BA 2891.

**ARCHIVES AND RECORDS (101-1052)
BUDGET PAGE CULTURAL-24**

Mr. Stevens referred to the closing issue for Budget Account 1052 and said budget amendment number 22 recommended increasing the General Fund appropriation by \$100,000 per year to microfilm state records. The amendment indicated that the funding would be used to microfilm approximately 750 boxes containing 2.1 million documents that would free up space in the Records Center. Other items in the account included a Capital Improvement Project, purchase of a heavy duty shredder at a cost of approximately \$30,000 that would eliminate the need for contracting with a private firm at \$3 per box to shred materials, and funding for shelving and other equipment. There were no technical adjustments in the account.

Chairman Arberry voiced concern with the cost of the shredder. Mr. Marvel asked if there had been a comparison of the cost of the shredder versus the

costs of the contractor. Mr. Stevens said he believed the agency had completed a comparison of the costs and could provide additional information if the Committee desired.

Scott K. Sisco, Interim Director, Department of Cultural Affairs, explained that the shredder would allow an entire box and contents to be shredded instantly. Mr. Sisco said the State Purchasing Department recently purchased a new commercial shredder account for \$3 per box. He noted that the cost of the shredder would be paid for in approximately nine months. The Department had projected that the shredding budget would be \$65,000 to \$70,000 annually. Mr. Sisco said the shredder was the best solution.

In response to a question posed by the Chairman, Mr. Stevens said the main issue to be decided by the Committee was whether to approve the amendment brought forward by the Budget Division, which was \$100,000 per year to microfilm state records. Chairman Arberry asked if the microfilm process was the latest technology. Mr. Sisco explained CD-Rom technology and imaging technology was changing so rapidly that unless the state was willing to commit to ensure that agencies would be able to migrate old applications and old operating systems, the only option was microfilming, a proven process that was inexpensive. The agency used imaging for immediate use and microfilming for long-term record retention.

Mr. Denis asked for an explanation of the microfilming process. Mr. Sisco said current technology allowed imaging and microfilming of records at exactly the same time at a cost of an additional few cents for the microfilming.

ASSEMBLYMAN SEALE MOVED TO CLOSE BUDGET ACCOUNT 1052 WITH STAFF RECOMMENDATIONS AND TO INCLUDE AN APPROPRIATION OF \$100,000 PER YEAR TO MICROFILM STATE RECORDS.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**MICROGRAPHICS AND IMAGING (101-1055)
BUDGET PAGE CULTURAL-30**

Mr. Stevens said there were no closing issues related to Budget Account 1055, which was a self-funded account. There had been some technical adjustments.

ASSEMBLYMAN MARVEL MOVED TO CLOSE THE BUDGET WITH STAFF RECOMMENDATIONS INCLUDING TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN MCCLAIN SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**NEVADA STATE LIBRARY-LITERACY (101-2893)
BUDGET PAGE CULTURAL-35**

Mr. Stevens said there were no major issues in the account. A technical correction was made to increase the grant from the Department of Education by \$4,050 each year of the biennium.

ASSEMBLYMAN HETTRICK MOVED TO CLOSE THE BUDGET WITH STAFF RECOMMENDATIONS INCLUDING TECHNICAL ADJUSTMENTS.

ASSEMBLYWOMAN MCCLAIN SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**NEVADA STATE LIBRARY-CLAN (101-2895)
BUDGET PAGE CULTURAL-39**

Mr. Stevens said there were no issues in the account and staff recommended closing with the Governor's recommendations.

ASSEMBLYMAN PERKINS MOVED TO CLOSE THE BUDGET GOVERNOR RECOMMENDS.

ASSEMBLYMAN SEALE SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**NEVADA ARTS COUNCIL (101-2979)
BUDGET PAGE CULTURAL-43**

Mr. Stevens said the major issue for the members to consider for the Nevada Arts Council budget was the recommendation included in E-332 to provide increased General Fund support of \$200,000 in each year of the 2005-07 biennium to restore \$41,000 in budget reductions that were made in the FY2003 budget and provide an overall increase of \$159,000 each year over and above the previous level. Other items included license plate charges, which were included in a separate category in the budget account. Mr. Stevens said he would be happy to answer any questions.

Chairman Arberry asked if the \$200,000 would provide sufficient funding for the Council. Mr. Stevens explained that it would replace the \$41,000 budget reduction from the FY2003 budget and provide an additional \$159,000 enhancement to the budget. The Chair asked how the additional funding would be used.

Mr. Sisco noted that the Executive Director of the Council had to be out of town due to a family illness. He said the original budget included additional funding for the arts and education program, and the grants program;

approximately five grant areas would be increased as a result of the enhancement recommended by the Governor.

Chairman Arberry held Budget Account 2979 and moved to Budget Account 2941.

**MUSEUMS AND HISTORY (101-2941)
BUDGET PAGE CULTURAL-49**

Mr. Stevens said there were no closing issues in the budget for the Division of Museums and History. The only item to be considered by the Committee related to the 2 financial accounting positions having responsibility for developing state budgets and maintaining the day-to-day financial operations for the Division. The 2 positions also had oversight responsibility for the financial operations of the dedicated trust funds of each museum; approximately \$1 million in FY2004 and approximately \$1.5 million in FY2005. Mr. Stevens pointed out that the trust fund budgets did not contribute any support for accounting related activities, and he asked if the Committee was interested in having a nominal amount charged to the trust accounts to support the 2 financial positions.

Mr. Marvel asked if the change would strengthen internal controls. Mr. Sisco said he was not certain charging the trust accounts for services performed by the Division would strengthen internal controls, but would divert some of the private funds from the accounts to offset the General Fund appropriation. Mr. Marvel recalled that in the past a legislative audit revealed a problem with the Division combining the funds. Mr. Sisco said the Division had worked with the auditors who approved of maintaining separate accounts, which were moved into the state budget system. Mr. Sisco pointed out that museum visitors who donated money to the facility preferred not to fund state salaries.

ASSEMBLYMAN MARVEL MOVED TO CLOSE THE BUDGET AS
RECOMMENDED BY THE GOVERNOR.

Mr. Stevens pointed out that closing the budget with the Governor's recommendations would continue to fund the 2 positions with General Funds, but staff wanted to bring the issue before the Committee to see if there was a desire to offset the General Fund costs.

Ms. Giunchigliani argued against funding the 2 positions with funding from the trust accounts. She indicated that the State did not fund the museums or cultural arts very well and said she would support Mr. Marvel's motion.

ASSEMBLYWOMAN GIUNCHIGLIANI SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**LOST CITY MUSEUM (101-1350)
BUDGET PAGE CULTURAL-53**

Mr. Stevens said there were no major issues in the account. Funding in the amount of \$44,363 was included for deferred maintenance, and \$390,306 was included for a Capital Improvement Project. Technical adjustments included

placing the deferred maintenance expenditure in a separate category and revenues were adjusted to reflect the total costs of the two part-time positions supported from the trust fund revenue.

ASSEMBLYMAN DENIS MOVED TO CLOSE THE BUDGET WITH
STAFF RECOMMENDATIONS AND TECHNICAL ADJUSTMENTS.

ASSEMBLYMAN SEALE SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**NEVADA HISTORICAL SOCIETY (101-2870)
BUDGET PAGE CULTURAL-57**

Mr. Stevens reported that there were no major issues in the account. Funding for deferred maintenance, \$15,500, was included in a separate category. The Museum Trust Fund also supported positions in BA 2870 and revenues were adjusted to reflect the total costs.

ASSEMBLYMAN HETTRICK MOVED TO CLOSE THE BUDGET
WITH STAFF RECOMMENDATIONS.

ASSEMBLYWOMAN SMITH SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**STATE MUSEUM, CARSON CITY (101-2940)
BUDGET PAGE CULTURAL-61**

Mr. Stevens said funding for deferred maintenance was moved into a separate category, funding from the trust fund to support positions was adjusted, and there were no other adjustments.

ASSEMBLYWOMAN MCCLAIN MOVED TO CLOSE THE BUDGET
WITH STAFF RECOMMENDATIONS.

ASSEMBLYMAN SEALE SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**MUSEUM AND HISTORICAL SOCIETY - LAS VEGAS (101-2943)
BUDGET PAGE CULTURAL-67**

Mr. Stevens said, as with previous accounts, funding for deferred maintenance was moved into a separate category and technical adjustments were made to

update the funding needed for a .51 FTE position supported from the museum trust funds. Other items included in the closing document related to the new Las Vegas museum to be constructed with Question 1 bonds.

ASSEMBLYWOMAN GIUNCHIGLIANI MOVED TO CLOSE THE BUDGET WITH STAFF RECOMMENDATIONS.

ASSEMBLYWOMAN WEBER SECONDED THE MOTION.

THE MOTION CARRIED. (Mr. Hogan was not present for the vote.)

BUDGET CLOSED.

**STATE RAILROAD MUSEUMS (101-4216)
BUDGET PAGE CULTURAL-71**

Mr. Stevens said Decision Unit E-251 restored two positions, a Management Analyst III and a Maintenance Repair Specialist, and related operating costs at the Boulder City Railroad Museum. The Executive Budget recommended funding in E-251 be split between ride charge revenue and General Fund appropriations, 50 percent ride charge revenue and 50 percent General Fund appropriation in FY2006 and 75 percent ride charge revenue and 25 percent General Fund appropriation in FY2007. Budget amendment number 33 recommended that the revenue split be modified to 75 percent General Fund appropriation in FY2006 and 50 percent General Fund appropriation in FY2007. Technical adjustments included moving deferred maintenance into a separate category and providing full funding for a store position from the museum trust funds. Historically the position had been funded from the trust account, but was not included in the current budget.

Chairman Arberry held Budget Account 4216 and opened the hearing on A.B. 403.

Assembly Bill 403: Provides for public release of certain portions of high school proficiency examination and makes appropriation for replacement of released exam. (BDR S-1022)

Assemblyman Perkins said he was present to introduce A.B. 403 and said during the interim he had numerous conversations with individuals regarding the Nevada High School Proficiency Examination, especially the mathematics portion of the examination. There had been concerns that the examinations were not made available to the public. Mr. Perkins said A.B. 403 included an appropriation to replace the examinations that were released.

Bill Hanlon, Director, Southern Nevada Regional Professional Development Program (SNRPDP), said he was present to speak in favor of A.B. 403. Mr. Hanlon said there continued to be confusion on the contents of the Nevada High School Proficiency Examination (HSPE), which resulted in individuals questioning the fairness of the test. He pointed out that many high stake criterion-referenced tests were made public. Nationally, high school proficiency examinations were typically published in local newspapers, or on the Web. Mr. Hanlon felt that making the tests more accessible to the public would build public confidence in the testing system. The types of questions included on proficiency examinations in other states were more restrictive and were much more predictable. For example, the Texas exit examination would include

angles formed by parallel lines being cut by a transversal. Nevada's exit test was not as predictable; a question on angles might ask the type of angle, angles formed by parallel lines cut by a transversal, or on angles formed with polygons. It was difficult to provide remediation to students because of the broadness of Nevada's HSPE. Texas and other states had increased student scores and closed the achievement gap by restricting the testing.

Mr. Hanlon briefly reviewed his handout ([Exhibit B](#)), which included five questions, each of which measured a student's knowledge on finding the mean. Mr. Hanlon referenced the first problem ([Exhibit B](#)), which asked students to find the mean of five different numbers and said approximately 80 percent of the students could answer the problem without any difficulty. The five problems included in the handout were very different and all measured the same standard. Mr. Hanlon said he thought it was important for the students to know the types of questions that could be asked on the proficiency examinations. It was difficult to determine the types of questions without having access to the test. Mr. Hanlon said many of the students failing the HSPE were within one to three questions of passing.

Mr. Hanlon continued and said, as a professional developer having responsibility for the SNRPDP, he had to review test data to determine the needs of the teachers and students within the state. It was difficult to determine whether the students were failing the questions based upon the variation in the problems depicted on the handout ([Exhibit B](#)) or if the students did not know how to solve the problems. Mr. Hanlon said it was difficult, if not impossible, to make the determinations because he did not have access to the questions. He said the SNRPDP had developed posters related to the HSPE questions that were provided to all the schools. The questions were based upon practice tests given to the high school students and had low p-values, but with a minimal amount of instruction the students could do quite well and answer the questions correctly. He referenced a question on how much water the larger of two cylinders could hold and pointed out that it would be difficult to solve the problem without being able to see the distracter. Mr. Hanlon said without actually reviewing the types of questions and the distracters it was very hard to provide professional development to teachers that would enable them to better instruct the students on how to do well on the proficiency examination.

Mr. Hanlon said he was also concerned with the legality of the HSPE. In the past, one of the questions included in a practice test generated by the SNRPDP was remarkably similar to an actual question included in the HSPE. The testing director from the Clark County School District had been extremely concerned that an actual test question was included in the practice test. Mr. Hanlon indicated that it was inevitable that there would be similarities with the practice test questions and the actual questions.

Mr. Hanlon said another concern was not having access to the tests when test reports were returned to the State. He said to his knowledge there had never been a test question on the High School Proficiency Examination in mathematics that was a combination problem. There had been, in terms of number counting, permutations and the Fundamental Counting Principle, but never a combination. However, the test report returned to the Nevada Department of Education (NDE) stated that the students did not do well on combination problems. Mr. Hanlon said he had advised both the previous testing company and WestEd that he did not believe a combination question was included on the HSPE. Mr. Hanlon said neither the testing company nor WestEd understood the difference between a combination and a permutation. Because of the test reports the teachers worked with students on combinations rather than the permutations.

Mr. Hanlon indicated that any mathematician would have known the difference between a combination and a permutation instantaneously. In conclusion, Mr. Hanlon said there needed to be confidence and trust in the test to be able to provide remediation to students and to make certain legal specifications were met.

Ms. Giunchigliani agreed with Mr. Hanlon's assessment and believed providing copies of the test took the mystery out of the HSPE. She said making the tests available would not result in teaching to the test, but rather teaching students how to take a test. Ms. Giunchigliani said A.B. 397 was passed out of the Education Committee and would allow the students who failed the proficiency examination to retake only the portion of the exam they failed.

Mrs. Smith said A.B. 403 was an important piece of legislation. She said providing copies of the tests had been discussed during the many years she had served as Chairman of the Academic Standards Council. She pointed out that other states released copies of the tests. Mrs. Smith said another piece of legislation would allow the Director of the Council for the Regional Professional Development Programs to observe the test.

Mr. Seale said when studying for his certified public accountant (CPA) examination he had used prior examinations that were clearly helpful and important. He referred to the appropriation included in A.B. 403 and asked if the funding would be a one-time expenditure or an ongoing cost.

Mr. Hanlon said it was his opinion that the costs would be ongoing, perhaps every other year or any time there was a major change in the test. For instance, when the Standards Council reviewed the different standards and decided which standards would be tested at the different levels, then the tests should be made available.

Mr. Perkins suggested monitoring the success of the program during the 2005-07 biennium and then returning to the 2007 Legislature to determine whether to continue appropriating funds for the development of examinations to replace the examinations released. Mr. Perkins noted that Nevada had moved ahead of the curve in education reforms many years ago. He thought Nevada's students had been set up for failure by printing standards and not providing the resources to get the job done.

Dr. Keith Rheault, Superintendent of Public Instruction, Nevada Department of Education, said the Department was very supportive of releasing the test information and A.B. 403 would provide the means to do that. He said it was really just a factor of coming up with enough questions to be able to release a test. The academic standards mentioned by Assemblywoman Smith were finalized in 1999 and development of the new test had been slow. Dr. Rheault said the Department was in agreement with Mr. Hanlon's and Speaker Perkins' comments.

Dr. Paul M. La Marca, Assistant Deputy Superintendent, Assessments, Program Accountability, and Curriculum, Nevada Department of Education, referred to Section 1 and subsection 2a, of A.B. 403, and said in a state as small and diverse as Nevada it was difficult to develop fair and reliable tests. Over the years, several forms of the HSPE had been developed and Mr. La Marca agreed it was time to release the tests. He said the Department was very supportive of A.B. 403. Mr. La Marca said a form of the HSPE was developed each year and to make the tests equivalent, or parallel, sections were included in each of the tests that were common across forms and to release "common items" would

negatively impact multiple forms of the test. In releasing a previously used form, the Department recommended limiting by extracting the common items from the test. Extracting the common items would not change the proportionality of the content or the difficulty of the test. Mr. La Marca noted that 45 items of the 60-item math test might be released.

Mr. La Marca said a second important area related to Section 1 and Section 1.2(a) with respect to the reading test. The reading tests were passage-based; students read a passage and then answered a set of questions relative to the passage. The passages used in the HSPE were authentic, meaning they had previously been published, and to use those passages the Department had to obtain permission from the publishers. To date, the permissions that had been sought were for a paper release and a secure release of the information. To now post the information on the Department's Internet website would require obtaining a different type of permission, which would be more expensive and would not be secure. Mr. La Marca stressed that many publishers were reluctant to have their literature included in the tests.

Mr. La Marca referenced the September 1, 2005, date included in A.B. 403 for releasing the tests and said there was no reason the deadline could not be met for the math test. However, the Department wanted to study the reading test issue and report back to the members whether or not the test could be produced by the deadline. Mr. La Marca said if the date for releasing the tests could not be met by the September 1st deadline due to the fiscal issues and access issues, the Department would have a plan in place following the April 2006 administration of the HSPE. Mr. La Marca recognized that all the HSPE tests were important, but said the most critical issue was the math portion of the HSPE.

Anne K. Loring, representing the Washoe County School District (WCSD), said the district was extremely supportive of A.B. 403. A few of the WCSD school trustees visited the Aldine School District in Houston, Texas. That district had been extremely successful in improving students' achievement and attributed the improved achievement to releasing the tests. Ms. Loring said the WCSD believed releasing the tests would be of value to both parents and students. Currently there was some resentment that the tests were secret. The WCSD also believed releasing the tests would be of value to public policy makers. Ms. Loring indicated there had been a great deal of discussion on the difficulty of the HSPE and how the questions related to the needs of the workforce.

Chairman Arberry closed the hearing on A.B. 403 and opened the hearing on A.B. 526.

Assembly Bill 526: Revises provisions governing class-size reduction program and National School Lunch Program. (BDR 34-377)

Mr. Thunder said A.B. 526 addressed the federal state match requirement for the National School Lunch Program. He said the match requirement of \$588,732 had remained the same since 1980. In the past, the Department was able to satisfy the federal requirement by demonstrating that the school districts in total had expended far more than \$588,732 in support of the school lunch programs from their general funds, either in terms of actual cash outlay or through in-kind contributions for utilities and other similar expenditures. The new interpretation of the law required the state to include the match amount in the state accounting system for the sole purpose of meeting the federal state match requirement. Mr. Thunder said the Department recommended eliminating \$588,732 from category 15 in Budget Account 2610 and including the same

amount in a separate category, which would then be allocated among the districts through the Distributive School Account appropriations. Mr. Thunder said changing to another category was strictly a paper transaction, but the Department of Agriculture was insisting that the Department comply.

Dr. Rheault noted that A.B. 526 also included minor changes to Section 4 of NRS 388.700 for the class-size reduction (CSR) requirements. The changes would not alter the program or change the funding, but rather would address the waivers required of school districts if pupil/teacher ratios included in statutes were exceeded. Statutes required a school district exceeding a pupil/teacher ratio of 15:1 for kindergarten to apply to the State Board of Education for a waiver. A.B. 526 would eliminate kindergarten from the class-size reduction waiver requirement since the State funded only 23.5 CSR kindergarten positions statewide. Dr. Rheault continued and addressed the changes requested for grades 1 through 3 in A.B. 526. NRS 388.700 required school districts to request a waiver if the ratios exceeded 15:1 in grades 1, 2, and 3; however, the state only allocated funding to cover pupil/teacher ratios of 16:1 in grades 1 and 2 and 19:1 in grade 3. Dr. Rheault pointed out that Section 3 of NRS 388.700 granted each school district the option of granting waivers for lack of financial support and A.B. 526 would change the waiver requirements to match the amount of CSR funding provided by the state. Dr. Rheault said A.B. 526 was initiated by the State Board of Education. The Board had concerns with issuing waivers because the State had not provided sufficient funding to cover the positions required for a 15:1 pupil/teacher ratio.

Ms. Giunchigliani suggested including language in the bill that said class sizes were to be maintained and variances would be required if the districts did not implement the class-size program at the amount funded by the Legislature. Ms. Giunchigliani said:

Some districts who built their ending fund balances rather than actually spending the money on class-size reduction, and even though we funded them at 19:5 they actually went to 20.5, and so they were not maintaining. I would rather see the State Board of Education pounding them down for not having actually used the money for what we said we wanted them to do.

She asked if there was a way to reword the bill to avoid any concerns that the intent was to change the class-size reduction requirements. Dr. Rheault said he had submitted similar language requiring waivers to be tied to the funding received. Ms. Giunchigliani asked Dr. Rheault to provide a copy of the language he had submitted. Dr. Rheault agreed with the request.

Ms. Giunchigliani referred to lines 43, 44, and 45 of Section 4 of A.B. 526 and asked if the language referred to team teaching. Dr. Rheault answered in the affirmative. Ms. Giunchigliani asked if the bill could be amended if the members wanted to eliminate team teaching over a period of time. Dr. Rheault said that would be a possibility. In the 2004-2005 school year, over 300 classrooms utilized team teaching in grades 1 and 2. Both Ms. Giunchigliani and Dr. Rheault suggested phasing out team teaching. Ms. Giunchigliani asked Dr. Rheault to work with members on developing language to eliminate team teaching through the use of portable classrooms. Dr. Rheault agreed to the request and noted that the Legislature had previously allowed alternative class-size reduction programs which eliminated team teaching in Elko, White Pine, and Churchill County School Districts. Dr. Rheault noted that 95 percent of the team teaching classrooms were located in the Clark County, Washoe County, and Carson City School Districts.

Mr. Marvel asked how the alternative class-size program was working in the Elko County School District. Dr. Rheault said Elko's alternative program had been successful and was in its fourth year. Teachers in grades 1 through 6 were enjoying the benefits of lower class sizes.

Vice Chairwoman Giunchigliani closed the hearing on A.B. 526 and turned the meeting over to the Chair.

Chairman Arberry opened the hearing on S.B. 12.

Senate Bill 12: Creates Motor Carrier Division within Department of Motor Vehicles. (BDR 43-610)

Ginny Lewis, Director, Department of Motor Vehicles, said S.B. 12, a Department bill, would add the Motor Carrier Division to NRS 481.0473. Ms. Lewis provided the following testimony:

By way of a brief history, DMV went through a major reorganization in 1999. Subsequent to that time we have fine-tuned the organizational structure and made various changes pursuant to NRS 481.051(2). We would be remiss if we did not routinely evaluate our organization to ensure we are operating at optimum efficiency to meet the needs of our internal and external customers.

The Compliance Enforcement Division, as established in the reorganization in 1999, dealt with the regulatory and enforcement aspects of the automobile industry, the emission program and the salvage wrecker, body shop and garage programs. The Division also had responsibility for the Motor Carrier activities where the focus was on the collection and administration of fuel tax laws and licensing of commercial vehicles. Motor Carrier collects and distributes over \$400 million each fiscal year from motor fuel tax for the State, counties, and airports.

What we recognized was the diversity, complexity, and importance of each program area. Each area within the Compliance Enforcement and Motor Carrier warranted separate oversight at a division level by an Administrator who could give the time and attention to each very critical program area.

Before I proceeded with the change to our organization, I researched the statutes. Essentially there are two statutes that I considered. First was NRS 481.051(2) that states the Director may organize the Department into various divisions as deemed appropriate. Then there was NRS 481.0473 that specifically identifies the divisions within the Department. I requested input from our legal counsel before going forward with creating Motor Carrier as a stand-alone division. The AG's office concluded that I could proceed with this modification to the organization and recommended that a BDR be submitted to the 2005 Legislature. Those changes were made in 2004 with Motor Carrier added organizationally as the eighth division within the Department.

That brings us to today with S. B. 12 that requests Motor Carrier be added to the list of divisions within the Department as identified under NRS 481.0473.

Ms. Lewis concluded her presentation and said she would be happy to answer any questions the Committee might have.

In response to a question asked by Ms. Giunchigliani, Ms. Lewis pointed out that the actual change to Motor Carrier occurred in 2004 when a position within Motor Carrier was reclassified; that position was included in the Department's base budget. The sole purpose of S.B. 12 was to amend NRS 481.0473 to include the Motor Carrier as a division within the DMV.

Chairman Arberry closed the hearing on S.B. 12 and opened the hearing on S.B. 87.

Senate Bill 87: Eliminates additional fee charged for renewal of driver's license by mail. (BDR 43-1036)

Martha Barnes, Administrator, Central Services and Records Division, Department of Motor Vehicles, said S.B. 87 requested the elimination of fees collected by the DMV for the renewal of a driver's license by mail, a program established in 1995 by the Driver's License Division. In order to generate revenue to fund the program, a fee of \$1.50 per renewal was enacted and a category was established within the budget. The DMV reorganized in 1999 and the driver's license renewal by mail program was established within the Central Services Division. Since the reorganization, the Department had offered Nevada citizens the opportunity to renew their drivers' licenses by telephone, by kiosk, or over the Internet. The Department was proposing to eliminate the \$1.50 fee defined in NRS 483.383 from the driver's license by mail program since no additional fees were charged to implement new technology for any other alternative service offered. Ms. Barnes pointed out that Highway Fund appropriations would be utilized to cover the loss of revenue.

Assemblywoman Gansert said the Committee had previous discussion about adding fees for online registration of vehicles and asked if there was a specific reason for eliminating the \$1.50 fee.

Ms. Barnes indicated that the intent was to align all the alternative services offered by the DMV. She reiterated that fees were not charged for other services. Mrs. Gansert asked if the fee discouraged individuals from renewing by mail or from using electronic registration. Ms. Barnes said an individual was only allowed to renew a driver's license once during an eight-year period so it was already slightly restrictive.

Chairman Arberry closed the hearing on S.B. 87 and adjourned the meeting at 10:38 a.m.

RESPECTFULLY SUBMITTED:

Linda Smith
Committee Secretary

APPROVED BY:

Assemblyman Morse Arberry Jr., Chairman

DATE: _____

EXHIBITS

Committee Name: Committee on Ways and Means

Date: April 18, 2005

Time of Meeting: 8:30 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B	Bill Hanlon, Director, Southern Nevada Regional Professional Development Program	1-page handout