

**MINUTES OF THE
SENATE COMMITTEE ON EDUCATION**

**Eighty-second Session
February 10, 2023**

The Senate Committee on Education was called to order by Chair Roberta Lange at 1:00 p.m. on Friday, February 10, 2023, in Room 2134 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Roberta Lange, Chair
Senator Edgar Flores, Vice Chair
Senator Dina Neal
Senator Fabian Doñate
Senator Scott Hammond
Senator Carrie A. Buck
Senator Robin L. Titus

STAFF MEMBERS PRESENT:

Jen Sturm-Gahner, Policy Analyst
Asher Killian, Counsel
Linda Hiller, Committee Secretary

OTHERS PRESENT:

Guy Hobbs, Chair, Commission on School Funding
Megan Peterson, Deputy Superintendent, Student Investment Division, Nevada
Department of Education
Dylan Shaver, Washoe County School District
Seng-Dao Yang Keo, Deputy Superintendent, Washoe County School District
Mary Pierczynski, Nevada Association of School Superintendents
Paige Barnes, Nevada Association of School Boards
Chris Daly, Nevada State Education Association
Andrew Feuling, Superintendent, Carson City School District
Hank Brown, Carson Montessori Charter School Student Legislative Team

CHAIR LANGE:

I will open the meeting of the Senate Committee on Education with a presentation from the Commission on School Funding.

GUY HOBBS (Chair, Commission on School Funding):

The Commission on School Funding was created by S.B. No. 543 of the 80th Session in 2019. Additional tasks were assigned to the Commission through A.B. No. 495 of the 81st Session in 2021. For the past several years, we have been focusing on two primary tasks—going through the Pupil-Centered Funding Plan, addressing the calculations that portion the money between and among school districts in the State, and identifying optimal funding for education as defined by S.B. No. 543 of the 80th Session.

In identifying optimal funding for education, we also endeavored to provide methods of funding to reach the target levels of funding over a ten-year period as defined by S.B. No. 543 of the 80th Session. We spent a considerable amount of time looking for ways to define optimal funding. We looked at national averages, expert recommendations and took input from the various superintendents of schools throughout the State. As required by law, we filed a report with the State on November 14, 2022. The 50-page report focuses on the identification of funding targets and the methods of that funding. We also did an executive summary and recommendations for 2021-2022 ([Exhibit C](#)).

Nevada's per pupil spending in 2020 was \$9,548 per pupil ([Exhibit D](#)), page 2. The national average from the same source from which the Nevada data was pulled shows an average national expenditure of \$13,489 per pupil. The Subject Matter Expert Recommendation by Augenblick, Palaich and Associates, Inc. (APA), a consultant the State uses for education spending, is \$14,337 per pupil, per year.

We then compared the 2020 data to the estimated 2024 amounts, 2024e, which we extrapolated from the per pupil numbers in 2023, [Exhibit D](#), page 3. Updating the Nevada spending, for what was in the State budget for 2023, we raised the amount of per pupil spending to \$9,717. We inflated the national average and Subject Matter Expert Recommended numbers forward to 2024e dollars, and as you can see, the comparisons are still similar.

We then took the amount we had in our report in 2020 and inflated it to 2024e, [Exhibit D](#), page 4. At that level of spending, the Nevada per pupil

number should have expanded to \$10,974 compared to \$15,503 for the national average, or \$16,478 to reach the APA expert recommendation.

This brings us to current information with the filing of the Executive Budget Exhibit D, page 5. Nevada's per pupil number is \$11,785, compared to \$15,503 to achieve the national average, or \$16,478 to achieve the APA recommendation. The difference between \$11,785 per pupil and the amount spent in the prior year, which was \$9,717, is roughly a \$2,000 difference per pupil for the amount appropriated in the Executive Budget versus what was spent the prior year. From a total dollar perspective, counting all the students, that would be just under \$1 billion for the first fiscal year (FY) of the next biennium and just over \$1 billion for the second year of the biennium.

The Commission's report included a ten-year projection for per pupil spending in Nevada, from 2024 to 2033, Exhibit D, page 6. The first number on the graph, \$10,974 for 2024, is from the 2020 figure that was extended forward by inflation to 2024e. Adding in the average inflationary growth rate through 2033, brings the per pupil figure to \$13,115, barring any actions other than funding at an inflationary level. The reason we are showing a ten-year period here refers to direction from S.B. No. 543 of the 80th Session.

We also compared those ten-year projections in the dark blue bar to what was incorporated into the Governor's Executive Budget in the light blue bar, Exhibit D, page 7. For 2024 and 2025, those are known values; for 2026 and beyond, we took those numbers and just did a simple inflation adjustment at the average annual inflation rate over the past 20 years. You can see this comparison in the contrast between the lighter blue bars and the darker bars. It shows that the funding commitment in the upcoming biennium puts us in a more favorable position than we anticipated when we put the report together.

When we filed the report, we did not have the advantage of knowing what the economic forum's revenue estimates would be for the next biennium nor could we anticipate what the Executive Budget would include, Exhibit D, page 8. Regarding the difference of the colors in the bars on the left which references the Commission report, the lighter blue part represents the amount of funding needed in addition to the amount we assumed would be available if funded at a normal rate of inflation per year. The light blue part represents the unfunded part of the total. On the right side of the page, the Governor's budget, with the higher appropriations for the State education fund in 2024 and 2025, the bars

are completely dark solid. Beyond that, the amount of the light blue part is reduced on a going-forward basis. This is good news because it means we are in a position where the first two years of the ten-year funding appears to have been met through the filing of the Governor's Executive Budget.

Comparing the 2033 values and the aggregate shortfall, [Exhibit D](#), page 9, from the Commission's report illustrates that within ten years an additional \$2.8 billion would need to be appropriated for education to achieve the target funding values. On the right side of page 9, with the advent of the funding that is included in the Executive Budget, the need for increased funding for 2024 and 2025 has been essentially reduced to zero because of the sufficiency of those executive appropriations. In every subsequent year, the numbers come down from \$2.8 billion to \$2.1 billion in 2033.

If we look at the amounts identified by APA, [Exhibit D](#), page 10, and since their per pupil amount was larger, the differences between anticipated funding without additional intervention and the target funding levels would have been higher every year, both incrementally and on an aggregate basis. Comparing that to the Governor's budget on the right side, the light blue areas that represent the additional funding challenges have been diminished. That does not mean those funding challenges are not still formidable, because when you are talking about this amount of money on a per-student basis, multiplied by the overall enrollment, the amount of additional funding that will be needed over year three to year ten of the ten-year funding period are still significant.

In our original Commission report, we identified aggregate funding by 2033 of an additional 3.4 billion per year to achieve the APA recommended funding levels, [Exhibit D](#), page 11. Because of the appropriations already included in the Executive Budget, the graph on the right side shows that amount reduced by \$800 million to \$2.6 billion.

SENATOR TITUS:

My question is about the numbers you use for this funding. It looks like you just use the Nevada General Fund or the Nevada mining monies; all the funding that we use in Nevada for these numbers. Did you add any marijuana monies or any other source of revenues?

MR. HOBBS:

When we are comparing the Nevada spending to the national average and to the APA recommendations, we are comparing apples to apples. In past years, you have seen a variety of numbers and sometimes it included things like capital outlay, sometimes it included things like federal funds, sometimes you are comparing apples and oranges. In all of these cases, the same funds are compared and the same expenditures are compared. In other words, none of the numbers include federal funding or capital outlay, making them "clean" in that regard.

To your point about whether it includes things like mining, room tax and/or cannabis revenues and other sources of funding, because of the Pupil-Centered Funding Plan, all the revenue sources, including the State's direct appropriation for education, go directly into one bucket at the top of the Pupil-Centered Funding Plan. Prior to that Plan, those revenue sources entered the equation at different points in a number of different ways. Currently, they all enter the equation at the top and it includes all the revenue sources generated on behalf of education in the State.

SENATOR TITUS:

Do you have comparisons on the overall? I have seen charts where the actual amount of money that goes into per pupil from all sources are significantly different in Nevada when we look at federal funding and other sources. I am wondering if you have those and if you could send those to us to show where we fit in those charts of all sources of funding that go to education in Nevada.

MR. HOBBS:

Certainly. I can give you some assurance that we asked ourselves the same questions, using the National Center for Education Statistics (NCES). That organization compiles these values several different ways. Sometimes it includes federal funds, sometimes excludes federal funds, sometimes it includes capital, sometimes not, and sometimes it includes private money. The No. 1 item of importance for us was to make sure we were consistent and to not compare one funding assessment that includes federal funds to one that does not include federal funds. If you wanted to see Nevada spending with federal funds compared to the national average, NCES produces those statistics. I am happy to get those figures for you through the Nevada Department of Education (NDE).

SENATOR BUCK:

Are special education discretionary unit funds included in this from the State, not from federal sources?

MR. HOBBS:

There may be detail about things like categoricals, whether it is special education, at-risk or English Learners (EL) that the NDE is in a much better position to answer. In terms of the numbers we provided today, that would include all categories of spending for both base and categoricals.

SENATOR BUCK:

What happens with the hold-harmless districts like Humboldt, Eureka, Esmeralda and Story counties?

MR. HOBBS:

From my understanding, the number of hold-harmless districts we had prior to the filing of the Executive Budget was much higher than those we would have after the Executive Budget filing. I believe that as a consequence of the appropriations, there will only be three school districts still in a hold-harmless position. I cannot name those districts, but it is significantly lower than prior to the filing of the Executive Budget with the increased appropriations. Frankly, the advent of additional funding does quite a bit to reduce the perceived harm or real harm for those hold-harmless school districts.

SENATOR BUCK:

Will someone be doing an analysis on that? I am getting feedback from those superintendents that even with the \$2,000 additional funding that potentially will come in, they will be taking cuts and then they will not be able to give raises and do various things for their districts. I just wanted that on the record.

MR. HOBBS:

Not to commit to something on NDE's part, but I believe we could certainly provide you the information on those districts that are still affected by the hold-harmless designation and to what degree.

CHAIR LANGE:

We will now have a presentation ([Exhibit E](#)) from Megan Peterson of the NDE about the Pupil-Centered Funding Plan and its mechanisms and implementation.

MEGAN PETERSON (Deputy Superintendent, Student Investment Division, Nevada Department of Education):

I want to review the mechanisms of the Pupil-Centered Funding Plan (PCFP), including the fiscal and administrative implementation we have done to date. The PCFP was codified by the 2019 Legislature and identifies the plan for allocating funding for K-12 education in the State. It identifies specific revenues intended to pay for public education, providing a base level of support for each pupil that is then adjusted at the district level to account for local variations and costs, [Exhibit E](#), page 2.

What makes this model different from any other budget or model in the State is that this is a revenue-driven mode, [Exhibit E](#), page 3. All our other budgets are driven by expenditures, which means that when there is an increase in revenue, there is a corresponding increase in funding available to our students. Under the Nevada Plan, and like most other budgets in the State, funding is determined based on expenditures, caseload and merit increases only. Because of the revenue connection, costs do not inform the output of the model; only revenues do.

The PCFP combines multiple revenues including Local School Support Tax, property taxes, marijuana and other revenues totaling 20 different sources, [Exhibit E](#), page 4. These revenues are then distributed across four different tiers of funding within the model. The State allocates the funds to the school districts, but the PCFP specifically provides flexibility to school districts and local education agencies (LEA) to allocate these funds in the areas where they need it most at the individual level.

Also housed within the State Education Fund where the PCFP account resides, is the Education Stabilization Account, which is funded through two mechanisms, [Exhibit E](#), page 5. The first mechanism is unobligated balances from the PCFP account, which are residual funds left over from the PCFP account where the four tiers are housed. The second funding mechanism is through transfers from school district and fund balances when the savings is projected to exceed 16.6 percent of their budgets, [Exhibit E](#), page 6.

When the combined two sources of revenues for the education stabilization account exceed 15 percent of the State Education Fund, the residual funds are transferred and form an alternative mechanism to supplement additional revenues through the PCFP account, [Exhibit E](#), page 7.

There are four tiers of funding identified in the PCFP, [Exhibit E](#), page 8. The first is auxiliary services, which includes transportation and food services. The second tier is the local special education general fund transfers for each school district that assists in meeting local Maintenance of Effort (MOE). There is State special education funding that is provided to school districts and charter schools, but it is not administered through the PCFP account due to the federal MOE requirements. The third tier of funding provides base funding for school districts, charter schools or LEAs and provides a base level of education for all students. The base level of funding is adjusted through different factors to account for each county's unique makeup. For the fourth tier, the base-level funding is supplemented with weighted funding for specific categories of students aimed at meeting their individual educational needs. Each tier in this formula is additive and all four tiers are combined to determine the total amount of funding for each LEA.

For the first year of funding, the model provides funding for food services and transportation for all students, [Exhibit E](#), page 9. Both allocations are based on a four-year average of the prior base-year expenditures as reported in the annual financial reports we collect from LEAs. Currently, inflation is not funded in either year of the biennium and this funding is specifically identified for school districts. In the second tier, [Exhibit E](#), page 10, local special education funding is representative of the transfer each LEA makes to fund its special education services. Due to federal requirements for MOE, we do not include an inflation adjustment to ensure that we do not jeopardize the district's requirements in meeting those needs.

In the third tier of funding, [Exhibit E](#), page 11, is the Statewide base. Just like its namesake, it provides for a basic level of funding for each LEA. The statute provides for several options in calculating the Statewide base each year of the biennium. In principle, the Statewide base from the prior year is adjusted by inflation and either an enrollment growth adjustment or revenue adjustment. As part of the Governor's recommended budget, this biennium we utilized a revenue adjustment. You can equate this step in calculating the PCFP payments to the State's budget-building process by utilizing base plus caseload and/or merit increases. These adjustments account for increased costs and maintaining service levels. The per pupil rate is then multiplied by projected students to be enrolled for the respective year to determine the total amount of base funding.

In calculating Tier 3, we have adjusted the base by applying enhancements to the base. Additionally, in the case of PCFP, such as maintenance, these adjustments are attendance-area based and include the Nevada Cost of Education Index (NCEI), [Exhibit E](#), page 12. Looking a little more specifically at the attendance area, this adjustment accounts for the increased costs of educating pupils in lower population density areas. Within Nevada, our attendance areas are tied to population centers. For example, there are 11 attendance areas in Elko County, including Carlin, Elko, Independence and Mountain Valley. Nye County's attendance areas include Amargosa Valley, Beatty and Duckwater, [Exhibit E](#), page 13.

The second adjustment on Tier 3, [Exhibit E](#), page 14, uses the NCEI, a district-specific adjustment to account for local variations. This adjustment was established in *Nevada Revised Statutes* (NRS) 387.1215. By May of each even-numbered year, the NDE is required to review and determine whether revisions are necessary for the adjustment to remain relevant. The recommendations are presented to the Joint Interim Standing Committee on Education and for consideration by the Governor.

The NCEI adjustment is made up of two components—a wage measure index using the Comparative Wage Index (CWI) and a cost-of-goods measure. These components were identified by experts who worked with other states to develop the index. The CWI is not a cost-of-living measure; it measures the cost of attracting staff to a region due to a variety of community factors such as location, outdoor activities, access to health care, entertainment and more. The CWI uses regional differences in non-educator wages and is based on the recognition that, if a given region has higher wages in comparable professions, then teacher wages will also have to be higher. The cost-of-goods measure is a non-wage portion of the NCEI, calculated based on the U.S. Bureau of Economic Analysis regional price parities component of goods to represent the regional cost differences in school districts when they purchase goods. When our subject matter experts looked at housing as part of this adjustment, it identified additional costs that were then pushed to the more affluent neighborhoods. From that data, it was recommended not to include this adjustment because it disproportionately allocated the funds.

Due to continued challenges in identifying the data that best represents this index, we have had numerous conversations about this adjustment with the Commission on School Funding, [Exhibit E](#), page 15. In alignment with the

methodology adopted by the Legislature, the Governor also adopted the recommendation for utilizing a floor of 1.0 in the model for those districts that receive a negative adjustment. The recommendation that was put forward by the Governor is in alignment with what we have been implementing this biennium, which is the floor of 1.0 for districts that were below. We have five districts that are less than 1.0, and one school district that was slightly above, at 1.008.

Since 2019, the Commission received 14 presentations and had numerous discussions on this NCEI adjustment, [Exhibit E](#), page 16. Most of the conversations revolved around the best data source but not necessarily the methodology for calculating the index. In September, the Commission made a recommendation to eliminate the adjustment and allow the funds to flow through the model. That was after the agency's recommended budget was due to be submitted, so it was not part of our recommendation.

In alignment with other budgetary practices, the NCEI adjustment is recommended to be updated biennially with new information to keep it relevant. We also do this with the other adjustments in the formula, including enrollment and auxiliary services, [Exhibit E](#), page 17. The NCEI would change every time we update, so those who are below or above could change.

In our fourth tier of funding in the Pupil-Centered Funding Plan (PCFP), we use enhancements similar to that used in our budget practices, [Exhibit E](#), page 18. Within the PCFP, there are three categories of students who receive supplemental funding—EL students, gifted-and-talented students and students at risk of not graduating with their cohort, or educational group. This is a new definition for identifying students who are at risk in alignment with the adoption that the State Board of Education recommended on November 12, 2020. We have a temporary regulation in place to support this definition.

The supplemental funding identified for these categories of students is applied as a multiplier or weight to the Statewide base. The current weights are 0.50 for EL students, 0.30 for at-risk students and 0.12 for gifted-and-talented students, [Exhibit E](#), page 19.

We have identified 75 factors used to determine if a student is at risk for not graduating with their cohort, [Exhibit E](#), page 20. There are five key areas we look at, including academic proficiency, attendance, behavior, home and

enrollment stability and other factors including school type, zip code and other statuses. Because there are 75 different categories, one is not weighted so highly that it alone will move a student significantly along that indicator.

Prior to the PCFP, we had additional categorical funding identified for the new Nevada Plan, which would have served 58,281 students and 21,200 Victory students, [Exhibit E](#), page 21. When we use the free-and-reduced-price lunch counts, we had 273,828 students identified to receive those services. When we use the at-risk definition based on students identified as at risk of not graduating with their cohort, the number aligned more closely with what we were previously serving under the other two categories. The students identified as at risk for not graduating fall below the 20th percentile of the lowest performing students.

The implementation of the PCFP required some changes over the previous system, the Nevada Plan, where the NDE was responsible for administrating approximately \$1.8 billion per year. Under the PCFP, we received \$4.8 billion and distributed \$4.3 million, [Exhibit E](#), page 22. In FY 2022, we identified \$549,478,081 to be transferred to the Education Stabilization Account, which is around 1.5 times our monthly distribution of \$360,000,000. We had four school districts within FY 2022 that met the threshold for transferring end fund balances that exceeded 16.6 percent and that totaled \$4.6 million.

The PCFP included a hold-harmless provision for school districts that experienced a decrease in funding due to the transition, [Exhibit E](#), page 23. During the 2021 Session, the Legislature made a change that moved districts to be funded based on a pupil amount instead of the total funding amount. That figure is multiplied by each district's enrollment. The resulting difference in calculation could potentially contribute to decreases. Under the Governor's recommended budget, we moved from nine school districts funded through the baseline amounts to three districts—Storey County, Eureka County and Esmerelda County. Charter schools are currently funded through the PCFP and we are identified in aggregate, not individually.

In the administrative implementation of the PCFP, the NDE worked for the last four years with stakeholders to develop business rules and documents that would clarify how the chart of accounts are used, how to calculate end fund balances, the administrative cap and more, [Exhibit E](#), page 24. We are working on aligning reporting dates and we have a bill in this Committee this Session,

Senate Bill (S.B.) 9, which requests moving the October 1 reporting date for a report of expenditures and services to January 1 of each year.

SENATE BILL 9: Revises provisions relating to education. (BDR 34-282)

That way, the information is audited when it is reported. We also developed a new payment book to give the NDE more time to distribute funds. Initially, we had two years to develop that model but only 30 days to identify and create it and then push the dollars out, which was a monumental lift for our Department.

We adopted two regulations for the administrative cap and adjustment area calculations. We do have a temporary regulation pending for the at-risk definition.

SENATOR BUCK:

How is special education funding calculated? Is it in two silos and calculated every four years? What we are seeing is charter school special education populations are growing and school districts are shrinking. According to my calculations, the difference between funding is about \$1,000 per student.

MS. PETERSON:

Could you clarify where you are seeing the \$1,000 difference?

SENATOR BUCK:

The difference is between special education students going to a charter school as opposed to going to a traditional public school.

MS. PETERSON:

I will speak first to the methodology we use to determine the State special education budget. First, because of the Maintenance of Effort requirement we have with the federal government, we essentially have a baseline funding amount that we maintain. We then apply inflation-type adjustments to account for increased costs. Because of that requirement, those numbers were not accounted for within this presentation. That calculation is done biennially with the creation of each biennium's budget and it is adjusted accordingly for each year of the biennium. For actual implementation, we do update the accounts that are used to distribute the money to each school district and charter school once we receive the validation day counts that are provided October 1. We recalculate that information every year of the biennium to redistribute

accordingly. Within that framework, we attempt to maintain the MOE requirement for each school district so that we are not reducing their funding.

SENATOR NEAL:

I have always been curious about the definition of maintenance of effort. Can you give me the definition?

MS. PETERSON:

I think the best analogy is that the Maintenance of Effort requirement is to maintain a similar level of funding as that of the prior year. We take that to mean we have to spend at least as much and no less than the prior year. The difference for each school district and charter school is that they have flexibility to meet the MOE on a per pupil requirement rather than an aggregated requirement. The NDE tries to maintain the funding at an aggregate level, but also maintaining it when we distribute at the district and the charter school level.

SENATOR NEAL:

Knowing the at-risk weights and contemplating the changes coming from the Governor, how do you calculate MOE when we are going to be looking at academic history? Maybe that is what I want you to look at because I wanted historical academic performance, I believe, but there was a key change in at risk.

MS. PETERSON:

Currently, the only category of students we observe and are required to maintain a MOE is special education. That is required by the federal government.

SENATOR NEAL:

Is there anything additional under the Every Student Succeeds Act of 2015 that makes you contemplate some other factors?

MS. PETERSON:

When it comes to students who are identified as at risk, because those students can experience different changes and may not be at risk of graduating in the future because additional services were provided that brought them into alignment with their cohorts, we have not contemplated a MOE requirement.

CHAIR LANGE:

I will now open the hearing on S.B. 56.

SENATE BILL 56: Creates a commission to study and make recommendations concerning education statutes and regulations. (BDR S-407)

DYLAN SHAVER (Washoe County School District):

We have been discussing this bill a lot. I think the best metaphor I can present is my very first car, which was a 1991 Chevy Corsica. It was not in great shape, but it was mine. Over the years, it had a lot of problems and I would get those problems repaired—a new manifold here, a heat shield there, a new transmission there. At the end, it had so many new parts that you could not really tell if it was the old car or a brand-new car made up of recycled parts.

The *Nevada Revised Statutes*, as it relates to education in this State, has gone through so many changes that it sometimes performs like my old 1991 Chevy Corsica with all the repaired parts I added to keep it running. Title 34 has 26 different chapters of NRS. Over the years, legislators, school districts, parent groups, educational advocates and others bring bills and amendments to those chapters time after time.

They may all be great and well-intended ideas, but S.B. 56 asks the question: “Should we review all these changes together and take a look at Nevada’s educational statutes as a whole to make sure they continue to do the things we intend for them to do?” This applies to the addition of all the new parts by way of amendment after amendment. All of those amendments may have been fantastic, but the question remains: “In the 21st century, are we left with a statutory and regulatory scheme that is best serving the students of the State of Nevada?”

SENG-DAO YANG KEO (Deputy Superintendent, Washoe County School District):

I am the parent of two young children in the Pre-K-12 education system in Nevada. I am also the product of Nevada public schools, grades K-12. This bill is intended to create a Commission on School Modernization (CSM), establish its membership and conduct a study to improve the effectiveness and efficiency of the education system, ([Exhibit F](#)), page 2. The bill also authorizes the CSM to contract for services and authorizes it to establish working groups. Finally, S.B. 56 authorizes the CSM to request the drafting of not more than one legislative measure in 2025.

The need and rationale for this bill comes from the fact that Nevada has made significant investments in the education system that have resulted in several statutes and regulations that schools, districts and the State have to implement. While these changes have been strategic and well-intentioned, many have been in isolation from each other. At the heart of this bill, the intent is to look at the Nevada education system strategically and intentionally and examine it as one large and complex education system, [Exhibit F](#), page 3.

Some might call this a review or an audit, but it is really an opportunity to identify the gaps while offering the opportunity to continually improve. It also gives us a chance to examine our different roles and responsibilities, regardless of where we are situated in the education system. Our intent is to increase coherence within the system and to examine work that has been burdensome and duplicative for schools and districts. We have heard that recording requirements have often been duplicative because districts are asked for the same data over and over to fulfill certain statutory requirements.

In addition, unfunded mandates negatively impact our ability to do the important work that we are here to do, which is to serve our students in the communities. This an opportunity for us to leverage data, evidence, and the learning lessons from the experts on the ground who are actually doing this work and can help us continuously improve. This bill is an opportunity for us to strategically plan so we can achieve our greatest aspirations.

The “why” of doing this now is to build an education system worthy of our Nevada students. We want a strategic plan in two new ways. One way is to examine what our current needs are. Typically, in the education space, this is based on data; looking at our data and aligning this to the continuous improvement cycle. The other way we want to strategically plan is to aim for our aspirations. It is not just being reactionary, but it is being proactive by looking and examining a future education system that our students deserve and that we need as Nevadans, [Exhibit F](#), page 4.

Senate Bill 56 has four primary tenets, [Exhibit F](#), page 5—fostering innovation; creating system-level coherence and alignment; leveraging evidence-based interventions and focusing on student outcomes; and reducing burdens and thus streamlining work.

The first tenet, fostering innovation, is an opportunity to provide flexibility to schools and districts across the State, elevating the profession in the process, [Exhibit F](#), page 6. We have professionals and experts on the ground doing this work. They know what it means to implement the statutes, regulations and policies. This is a moment for us to step back and listen to these experts on the ground and reflect about an education system worthy of the students we serve. This also is an opportunity to cultivate trust and respect for our educators and support professionals across the State.

The second tenet is to build an education system that is coherent and aligned so we can coordinate all our different efforts and thus maximize effectiveness and efficiency, [Exhibit F](#), page 7. The highest performing education systems in the Nation and around the world do this exact type of thing—they pause to look at the data, examine what has been happening in the entire system and then envision and plan strategically for a future education system that their students, families and communities deserve.

The third tenet is focusing on outcomes for all students, [Exhibit F](#), page 8. This is a picture of Connie Hall, the 2023 Nevada Teacher of the Year and a kindergarten teacher at Deidrichsen Elementary School in Sparks. She is an example of how the educators working on the ground in schools and districts are doing the very best they can. We want to provide targeted supports so we can remove barriers and allow these professionals to do what is best for their students. To focus on outcomes, we are asking the questions, “Are we spending our money on what works to improve student school outcomes? Are we using the latest research evidence and data to drive our decision making?” This is an opportunity for us to examine the education system as a whole and then leverage that opportunity to improve our student outcomes rapidly and significantly.

Senate Bill 56 is an opportunity to reduce burden and streamline work in our State. When we listen to teachers and school leaders in our District, we hear that there are a lot of requirements made of them every day. This is an opportunity for us to step back and prioritize their work in ways that honor their expertise and also streamlines their work. We do not want to ask them to do duplicative things that can be burdensome. It is really our opportunity to redirect resources—time, attention and financial—to high-leverage, high-impact initiatives, [Exhibit F](#), page 9.

To conclude, S.B. 56 is asking for a Commission on School Modernization that will be essentially a study with clear recommendations so that all our Nevada students are prepared for the future they choose. Educators and support staff need to have the resources that we can provide to better serve these students, families and communities, [Exhibit F](#), page 10.

What could this look like? We just heard a presentation on the funding formula, and an example could be with weighted funding. The school districts understand where to spend those weights, based on S.B. No. 543 of the 80th Session in 2019, specifically in services to EL and at-risk students. When I was at the NDE a few years ago, I helped write the language for Victory and Zoom schools. I supervised and led the team providing services across the State for those schools, S.B. No. 178 of the 79th Session, and Read by Grade Three. I am sharing all this because it is an example of the misalignment.

When we were doing that work, we were smart, very well-intentioned people who were trying to be very strategic, but we did not realize what that language would become. And now, through the 2019 Session, it is essentially what is eligible for districts and schools to spend. I am using that as an example because if our team had known several years ago that this language would essentially be copied and pasted into something else, we might have stepped back and said, "Wait, let's pause; we've got to plan for the future." We were designing for specific programs, but now that this is being implemented across the State for other similar yet different purposes, we probably would have taken a different strategy.

Finally, this is an opportunity to co-create an education system worthy of our students—an education system that prepares them for any future they choose. The Washoe County School District (WCSD) Superintendent, Susan Enfield, often talks about WCSD being a district on the rise, and we are, but the State is also on the rise. We absolutely need to act in a way that is intentional and strategic to help co-create, co-design and plan for a really smart and strategic education system.

SENATOR NEAL:

You made some good points. I have a question from section 1, subsection 10 of the bill where it lists the criteria of what topics are considered "without limitation." What I am trying to figure out is, in this modernization conversation, how are we going to examine the past?

The hearing that we had the other day made me look at the past and studies we did—the Blue Ribbon Task Force, Nevada Promise, Race to the Top—all the things we have done Statewide. What I found so interesting was that a lot of the benchmarks, questions and the things that we were asking the State to do are still on the list. So why do we believe that we are modernizing versus taking a look at goals we never met, and then asking, “What was the failed strategy that didn’t meet the goal and that is still relevant and real in 2023, even though we might have set the initial goal in 2011 or 2009?”

DR. YANG KEO:

That is an excellent point. That is exactly what this type of study would be doing. When we do an assessment, we look at the gaps and opportunities, at what we have done across many different areas. To your point, these areas without limitation are why that language was important because these are some of the key areas that school superintendents had identified and ones that WCSD can stand behind. Also, we think it is very important for us to examine the gaps and ask, “Here is the data; where didn’t we do well? How can we improve? What does research and data from across the State, Nation and around the world point to so we can significantly and rapidly improve student outcomes?” This is not just academic; it would also include behavioral mental health supports. It would be something comprehensive and that is what we are aiming to do. We are aiming to look at the system as a whole. It is partly examining the past practices, looking at the current practices, and envisioning what the future would look like.

SENATOR NEAL:

Wonderful comment. It is almost like education is this space where we cannot see the forest for the trees. I think I used this example back in 2011—it is like the Greek Sisyphus—we keep rolling this boulder uphill for it to come right back down again every time. What worries me is that you are going to pay a consultant, and I am wondering how you are going to use that information and apply it specifically to Nevada, because the world is not Nevada. We already did this with the reorganization of the Clark County School District (CCSD). We brought in all these studies and we brought in a guy from Canada and he told us what other school districts are doing well and what they are doing poorly, and then we said, “Oh, yes, let’s do this set of ideas.”

When are we going to just look at ourselves, at our own data, and look at the framework that has already been established? The Nevada Department of

Education (NDE) has already put out a framework that is, I think, 224 pages of benchmarks and frameworks to consider. When are we going to just do that work? To look at everything we have done already and really think through that? I believe that you are innovative, and I believe that you are coming in and bringing fresh air to the discussion, but I want to prevent Sisyphus. Stop paying someone to tell you what we already know to do, and just take the time to look at everything we have done holistically, which is really paying yourselves. Get in a room, hash it out, say where we have been, look at the data that already exists across the State. Then sit down and say, "This is clearly one of the long-term issues that is part of our problem, and I can guarantee you, it will always pop up over and over." That is what I am seeing from 2007 to now; the same characteristics pop up as issues. That is what worries me about paying for another study and then saying it is a modernization.

MR. SHAVER:

You actually provided a far more succinct summary of what S.B. 56 does than I did. We are seeking to do precisely what you describe. If you look at section 1, subsection 10, we are specifically looking at those underpinnings of what we have been doing, which is in the *Nevada Revised Statutes* and the *Nevada Administrative Code*. We are not looking for recommendations from the outside world. We want to do exactly what you are describing, even to the point where you say "Get all of our people into the room"—that would be the Commission itself.

Honestly, I do not think I can hire you from here, but next time maybe I can speak to you in advance and allow you to do this for us because that is precisely what we are looking at. You have been through so many Legislative sessions and over that period of time we have seen, I think, five superintendents in Washoe County, three or four in Clark County, a handful of State Superintendents of Public Instruction, three or four governors, so you are correct that there is always a new outside expert to tell us how they are doing it in Ottawa.

The beginning of this conversation is precisely what you describe. We are going to look at Nevada's laws, Nevada's code and see how that can all be streamlined and work together to achieve those other goals that you describe, whether it is from Nevada Promise, Nevada Ready, or one of the other alphabet soup of presentations and reports that are probably sitting on shelves from your previous legislative office, yet to be unpacked.

SENATOR TITUS:

Thank you for what you are trying to do. Like Senator Neal, I have sat through many Legislative Sessions where we are looking at different formulas and funding options, and now we are asking for another commission. According to the Governor's website, Nevada currently has 250 boards and commissions. We are seeing bills coming forward because they cannot fill some of these commissions. I worry that if we already have data, is it then the job of our State Superintendent's office to be the umbrella for the 17 other superintendents to put together all the information and data that we already have?

All the information that you are trying to gather, and all the information that you say we already have, should be in a repository in the State Superintendent's office so that office could go to the county superintendents and say "Hey, what does this information look like?" as opposed to yet another commission.

MR. SHAVER:

You make an excellent point, Senator. There are an infinite number of commissions, especially when it comes just to education commissions; there are just so many. The critical piece here is the review. We are here today to say the WCSD Superintendent, and I believe the other superintendents across the State, are prepared to conduct the review. What we need is your buy-in. Senator Neal said, "Get together in a room and pay yourselves; use the time that you have and the resources you have to do it." She is not incorrect. Senator Titus is not incorrect about the "commissioning" of this State.

At the end of the day, what is required is your authorization as leaders in this State who have the ability to push a green or red button on the things we propose. Knowing this review is conducted with your blessing, it does not need to be a commission or even an outside expert so much as it needs to be something that you have blessed. That way, when we come back, the work can be validated or not validated, but it would be part of a meaningful conversation.

DR. YANG KEO:

The Nevada Department of Education is a partner in this work. I also think it is important for districts to have an equal seat at the table so we can hear from the people who are providing supports directly to the schools. What Mr. Shaver just said is absolutely true; the districts are already planning on moving this forward. We absolutely want your buy-in and support. Part of that is because

we absolutely believe this is an opportunity for us to engage in the continuous improvement process in a very strategic way.

As somebody who has been in that system at both the State and district level, my experiences are that we are implementing so many statutes, regulations and policies. It is incredibly challenging. Even the best and brightest in our schools, districts and at the State level, can be absolutely overwhelmed with all that. What it looks and feels like is a lot of piecemealed ideas that are well intentioned by very smart people, but it is absolutely overwhelming to implement the hundreds of wonderful ideas while still trying to make sure our students have the very best service that we can provide to them.

So, this is us pausing, taking a breath, and saying, "Let's really look at how all of these different pieces fit together, and make sure that they are aligned, and make sure that this is a coherent education system." That is what we are aiming to do and that is why this looks different from the other commissions. I have seen the other commissions, and on the State side, I have supported some of these other commissions. There are a lot of charges out there and what we are hoping to do is to say, "Do all of these different charges actually make sense when they all come together?"

There are statutes that people will discover and say, "Oops, this was a statute 12 years ago that we have not been implementing." This absolutely happens across the State. When you start thinking about just the number of complex requirements that schools, districts and the State have to enact, this is our opportunity to really look at that strategically, which is exactly what we are aiming to do with this bill.

SENATOR TITUS:

I represent six different school districts with six different superintendents. I know you have a Statewide association of school superintendents and I see nothing in current law that prohibits you from getting together with school superintendents and addressing these issues without a commission. That is just a statement.

I also have a question regarding the bill itself and not the concept. Section 9 of the bill says "The Commission may apply for any available grants and accept any gifts, grants or donations to assist the Commission in carrying out its duties

pursuant to this section.” Who would be the keeper of that? What budget account would you put that in? Who would monitor that?

The reason I ask is because I happen to sit on the Northern Regional Behavioral Health Policy Board and we have been struggling with how to administer our inner workings. Maybe our Committee Counsel needs to answer this because we have been struggling with accepting grants for our Board and I do not know if there is a State law that would apply. Is it standard that all commissions have that line item?

ASHER KILLIAN (Counsel):

It is not uncommon for commissions and other similar state agencies to have this language that allows them to accept gifts, grants and donations. Many of those kinds of entities have a particular department or agency of the State government that is responsible for providing administrative services to the entity. That department or agency would be responsible for collecting that money, accounting for it, and all those other duties. For S.B. 56, in section 1, subsection 11, the Commission is empowered to “employ or contract for” the services of those kinds of personnel. So in this bill, as opposed to letting a State agency provide those administrative services, the Commission would be required to do that itself.

SENATOR TITUS:

Do you have the capacity to do that? Are you anticipating employing somebody to monitor or apply for the grants?

MR. SHAVER:

As Mr. Killian pointed out, most bills of this nature authorize the committees to do that. Realistically, we anticipate that between WCSD and the other school districts, this will be self-funded, so we would work it out interlocally. There is no grant in mind that we had intended to pursue but when the Legislative Counsel Bureau creates these documents, that language ends up being boilerplate across the board.

SENATOR BUCK:

What comes to mind for me is the word “duplicative,” meaning that as a district superintendent, one could put together a committee to do this and also involve the State Superintendent. As my colleague said, there are 250 different boards and commissions. Have you looked at those to see if there is a way that this

could fit into one of those boards or commissions? Also, there is a State Superintendent's Association, so I wonder why you need a law for this? Why not have good leaders just do it?

MR. SHAVER:

My belief is that the WCSD intends to do just that. What we are here for is your blessing. Before we go to the other superintendents and start committing some of that time for an undertaking of this magnitude, we are looking for buy-in from the Legislature. The laws are approved only by you. The *Nevada Administrative Code* is proposed by the NDE and approved by the Legislative Commission and this a tremendous amount of work. We are not looking for a yes or no on the final product, but the work is going to be conducted in a domain that is largely yours. It is a responsibility of ours to show up and say, "This is a thing we would like to do and this is how we would propose to do it."

DR. YANG KEO:

Washoe County School District has already started internally doing this work and we already plan on working in collaboration with other districts. What I am hearing from some of you right now is that you are wondering if we can already do this work without a bill forming a Commission on School Modernization. One of the things Mr. Shaver and I have discussed is how important it is for us to all work in collaboration with each other. One reason we proposed this bill is to say to you, "In preparation for 2025, so you are not caught off guard, we are letting you know that we believe the Nevada education system has been piecemealed in very strategic ways, but all these pieces do not actually fit together." To that end, we have already started doing that legwork internally.

I want to be really clear about this—there is already a commitment from WCSD and we already are committing resources and staff time because that is how important it is to us. We believe there is misalignment and there are revisions that need to be made. It makes it really hard and challenging to have a legislative session only once every two years, so the districts have to prioritize which issues to bring forward. This is an opportunity for us to work in collaboration with each other moving forward. We would appreciate support for S.B. 56.

SENATOR FLORES:

I do not want to force you to answer the same question because it has already been asked twice, but obviously my mind went in the same direction as some of

my colleagues. The superintendents are already meeting monthly so we all just assumed these conversations are already ongoing. Rather than putting you in a position of saying, "No, they are not doing that, I can show you minutes," maybe we could just have a conversation about that offline. You may not be the correct individual who can answer that question. But we wonder, what is already happening in those meetings? Because we are not in that room, we do not know what is happening in those meetings. That is why we think giving clear direction and instruction is necessary.

MARY PIERCZYNSKI (Nevada Association of School Superintendents):

The Nevada Association of School Superintendents is in full support of this bill, and I want to thank Washoe County School District for bringing it forward. There are statutes that need to be changed, and I am sure there will be several suggestions brought to the next Legislative Session. When it comes with your blessing and becomes part of NRS, it is powerful. That was the main reason for bringing this bill forward. You already had the presentation from Investing in Nevada's Education, Students and Teachers, and one of their tenets is to modernize our educational statutes.

PAIGE BARNES (Nevada Association of School Boards):

We are here in support of S.B. 56 and stand ready to partner with WCSD and the Nevada Association of School Superintendents.

CHRIS DALY (Nevada State Education Association):

We have not taken a position on S.B. 56. We want to point out that section 1, subsection 10, speaks of possible topics for the Commission to study and paragraph (f) lists the teacher and support staff pipeline as one of the recommended areas of study. We would ask that if the bill moves forward, educator retention should be considered. Educator vacancies are one of the top issues in crisis proportions in Nevada right now. While the pipeline is very important, retention is equally, if not more important. That should be included.

CHAIR LANGE:

I will close the hearing on S.B. 56 and open the hearing on S.B. 46.

SENATE BILL 46: Revises provisions governing education. (BDR 34-353)

ANDREW FEULING (Superintendent, Carson City School District):

Senate Bill 46 is intended to provide flexibility within time and resource requirements for our Nevada school districts. I have a quote that summarizes what we hope this bill will offer ([Exhibit G](#)), page 2, which is to allow yourself many paths to reach your goal.

Imagine a world where, with common aims, individual humans can determine their own path to meet their definition of success, [Exhibit G](#), page 3. You can think of your own resources, constraints, strengths, weaknesses, opportunities and threats. Think of that in terms of school districts and imagining a world where, with common aims, individual school districts can determine their own path to meet student success, [Exhibit G](#), page 4.

This idea for S.B. 46 is not original in any way, [Exhibit G](#), page 5. I heard about this program in Texas in 2017 and I never forgot it. The Districts of Innovation that were established there through legislation in 2015,

... allows districts freedom from state-level regulations to deliver instructional and support services and novel ways that improve student educational outcomes. The bill provides districts with opportunities similar to those previously enjoyed by charter schools and prompts districts to determine how exactly to best utilize the designation to better serve students.

I do not know a lot about the Texas education system, but they do have 1,026 school districts. In the first year, the Empowerment Districts were implemented in 8 districts, and currently there are 925 districts participating, which is 90.1 percent of the Texas school districts.

The way it works is fairly simple, [Exhibit G](#), page 6. The district's board of trustees would have a resolution, then develop a plan and appoint a committee. They then bring in stakeholders, and if there are any laws to be considered that the district wants to be exempted from because it would inhibit the plan, that can be written into the plan. The board then votes on the plan and if there is a two-thirds majority vote, the plan is adopted. When the board has that level of approval, it exempts the district from any laws that would get in the way of that innovation plan.

I submitted this proposal to this Committee's Counsel. I thought this bill was really novel and would be different and something new for Nevada, but then the Counsel came back to me and noted that there was already something similar on the books in Nevada through NRS. I looked, and yes, there is something similar that is currently on the books in Nevada, [Exhibit G](#), page 7. In 2007, S.B. No. 238 of the 74th Session created what we call empowerment schools, which is codified in NRS 388G. The basis of that statute is at the school level, where schools share in decision-making and have more autonomy in decisions being made in their schools. If a school decided to create a plan for allowing that autonomy and having more control over their schools, they would actually receive additional State per pupil funding as a result.

There was also a process to exempt a participating school from State law. Regarding the Nevada schools participating in this empowerment schools program, there are 18 schools participating in 2010, most of them were in Clark County, and Whittell High School in the Douglas County School District may have also participated. Then we had the Great Recession and everything kind of fell apart. That extra funding went away and many difficult decisions had to be made at the State and school district level.

Senate Bill 46 simplifies the spirit of NRS 388G, [Exhibit G](#), page 8. In formulating this approach, I was looking at the Texas model. It allows the districts to develop their own empowerment plans and allows for the exemption from State law. The categories that individual districts could consider when formulating their own Empowerment Plan include educational and operational aspects of the school district, innovative curriculum or instructional methods, community participation, campus governance and parental involvement. The district could also consider modifications to the school day or school year, the budget of the school district and funding for the programs of the school district, accountability and assessment measures and more. The bill also provides requesting a waiver from any law that hinders implementation of the Empowerment Plan, [Exhibit G](#), page 9.

The old language for establishing these districts and plans was long, and it created a difficult process to get to the goal, [Exhibit G](#), page 10. There was an incentive of more funding that clearly led some districts to participate. The revised way it is written in S.B. 46, the school board would direct the creation of the Empowerment Plan by either the superintendent or a design team. There would be a designee in the local school board who would be assigned to review

that plan and come back to the board with recommendations. If approved, the Plan would be good for up to five years. The board could later amend or revoke the Plan by the same process.

If the Plan included a waiver from State law, it would then have to be approved by the Nevada State Board of Education. That is the difference between the Texas version and what we are proposing. In Nevada, in order to keep the uniform system of schools piece of the Nevada Constitution, we needed to include that and have it posted on the district's website. There would also be an annual report presented to the local school board and then submitted to the State annually that included reports about how the Empowerment Plan is working in that district.

So how is this idea working in Texas? They have class size rules, just like Nevada does. Like Nevada, there are waivers that can be requested if a district or school is not meeting those class sizes. In Texas, they do not have to continually ask for these waivers on an annual basis. Research has shown that students with additional needs, such as English Learners, students in poverty and those with individualized education plans, tend to benefit the most from smaller class sizes. By reducing class sizes for these students, a district would likely incur slightly increased class sizes for other students, but they could conclude that this arrangement would benefit overall student achievement more than the current situation.

One Texas school district, the Eanes Independent School District, reported that while class size is important, "ultimately, we know that the quality of the teacher has the greatest impact, not class size. We still will try to meet class size requirement because we don't want teachers to have large workloads."

In Texas, they look at the length of the instructional day and cannot have instruction longer than a certain amount of time. They endeavor to achieve the required 420 minutes of instruction each day in a different manner, such as lengthening the school day. In doing so, student achievement increased in schools with longer days and more planning time. This is something that Texas public schools implemented after seeing some of the innovations that were occurring in charter schools. The Texas model also had stipends tied to paying teachers more for extending those school days. Additionally, the Texas plan includes an opt-in or opt-out for districts. If a school wanted to be part of the

Empowerment District, 80 percent of the staff would have to approve it, since they would be having a longer workday and be paid for that time.

In Texas, when a certified educator is not found for a unique or innovative class, the campus principal may submit to the superintendent a request for a local certification, effectively taking the state out of the certification process. This means they are allowing employee hiring to be made at the local level based on certain requirements that the district comes up with.

Texas also has a state evaluation system. With the empowerment program there, a district can ask for the ability to create their own evaluation system that would be better aligned with each district's strategic goals and student assessments.

SENATOR NEAL:

I have a question on section 3 of the bill where you are striking out the team. I am not clear on why. Some of it is kind of charter school overlap, but in section 3, line 17, it says "The superintendent of a school ... shall submit the empowerment plan to the designee of the board." In section 3, subsection 3, it strikes out the principal and the team. What seemed odd to me is that my understanding of empowerment schools are participatory management, which means it is based on school decisions being made by the schools, not superintendents coming in and being an overseer. I thought the school was supposed to have more control with the empowerment designation. I know you looked at Texas and they have a unique school system. Can you help me understand why you are placing superintendents in roles that should remain in the team for the participatory management style?

MR. FEULING:

The way the bill is originally written, it was all about individual schools making these decisions. In following the Texas model, it went more to the district itself, not individual schools. However, individual schools may support the district in being a part of the team to develop the Empowerment Plan. One of the quirks with this is that there are two ways for the process to begin. It can be the school board either saying to their superintendent, "Create an empowerment team, get these people together and start talking about this," or it is, "Superintendent, create this plan." Personally, I do not think I am the smartest person in the room, so I would like to get stakeholders in on that conversation, rather than just me. The language of the bill tries to make sense of that. You

may have it going one way or you may have it going this other way and that is certainly something that could be cleaned up, I think, to just have it as this empowerment team of stakeholders helping to devise this plan.

SENATOR NEAL:

If you look at section 3, subsection 2, lines 31 through 34, I see you strike out "and may not consider the amount of money required to carry out the empowerment plan if the plan is within the limits of the total apportionment to the school pursuant to subsection 4 of NRS 388G.120."

That was odd to me. How do you create the plan not knowing how much it is going to cost? I do not think you have a magic bag of money, but if you do in Carson City, let me know. However, you need to know how much it is going to cost to implement something of this level within a school district. How many schools are in Carson City?

MR. FEULING:

Ten.

SENATOR NEAL:

My understanding is that this excludes Clark County and applies to all of the other counties in the State.

MR. FEULING:

I have not excluded any one district in the language. A lot has been left out in this process from the original language of the bill. My intent with this, as is the intent from what I see in Texas, is to make it available to anyone who would be interested in it. As far as the budget piece you just referenced in the bill, that language goes back to the original empowerment school language, which was a much more cumbersome process, where they would have to develop a budget and part of that was to account for the extra money the district was receiving. With S.B. 46, there is no extra money attached; it is written to work within the district's existing budget. It may eventually end up costing some money or a reallocation of resources, but it also may not.

SENATOR BUCK:

In 2008, I was principal of C.T. Sewell Elementary School in Clark County School District and we were named an empowerment school. I believe that program was created to decentralize and bring autonomy to the school. Our

school empowerment team consisted of students, a member of the union, a parent, a specialist and teachers. We were all a part of this board that created an instructional model or empowerment model, basically a business plan for schools directing how you do business day-to-day. It was the empowerment model and we all had to agree to it. If we needed waivers, it was usually for negotiated agreements. Our rule was that it had to be good for students, it had to be legal, and it could not hurt another school or pull resources from another school. We had extra funding and it was truly transformational at the school level.

I am curious about how this idea would work at the district level. How do you get the buy-in from your individual schools? Could you still offer more autonomy to your individual schools like we had in 2008?

MR. FEULING:

I am a new superintendent as of July 1, 2022. Starting off the year, I went around and had listening sessions at all the schools—29 sessions in all at 10 of our schools. Some of our principals have been in the district for more than eight years, and I personally know this community because I lived there and have three kids in the Carson City school system. We have a very tight school district and I do not believe any of our principal would take advantage of any of those opportunities or would ever do anything to hurt any of the other schools.

When I was only doing the finance side of things, we would have conversations where we would say we wanted to do something like what this bill is proposing. I have had those conversations as a superintendent also. I am not saying that every one of those conversations would necessarily be inhibited by a current law, but that is something that certainly could come up and this would at least offer that opportunity. It may seem strange, given your experience within CCSD, just the size of that district alone, but I am trying to navigate a little bit with what that is, while looking at it more from the district level in Texas. Even if a district would implement this plan, it does not necessarily mean that every single school would have to accommodate exactly what is being said. It is simply that there be an opportunity to do so. In terms of having that local autonomy, schools could very well have the ability to say, “because this is what I want to do for my kids, this really makes sense.” For some schools, it may not make sense. They might have some other initiative or model of leadership within their building where they just decide that this really is not a fit for them.

SENATOR TITUS:

I recognize that you are trying to do something to improve the schools. Does Carson City currently have any schools that fall under the empowerment schools?

MR. FEULING:

No.

SENATOR TITUS:

Is there anything currently that would prohibit you from creating an empowerment school within Carson City School District if you wanted to do such a program?

MR. FEULING:

I do not believe so.

SENATOR TITUS:

Help me understand why the need then to change the school to a district. Were you anticipating that more than one school would do this, and they would be working together collaboratively within the school district? Or are you looking at forming whole new subsets of districts?

MR. FEULING:

No, we are not creating any type of subset. I am referencing a very simplified process in Texas against this empowerment school language in Nevada that is not simple in any way. Because of some of the language that has been left out from the current statute, NRS 388G, that process is not easy. There are no empowerment schools in Nevada right now, and there are no funds attached, so you do not have that incentive. I would argue part of the lack of participation is that some people do not know about it, but I think part of it could be that there is so much to it.

SENATOR TITUS:

In section 4 of the bill, it deletes, for me, the accountability piece. In subsection 3, it strikes, "The board of trustees of a school district shall conduct a financial audit of each empowerment school within the school district." Is there no accountability piece? If there are no additional revenues, would they just fall under the audit of all the rest of the schools?

MR. FEULING:

I think going between the empowerment schools and empowerment districts causes some confusion. Because it is at the district level, the district is already getting audited every year. If I understand this language, what was happening at the school level, because there was specified monies going over to them and they we are running this program as their own, there is no requirement in law to have schools individually audited. That language was there to make sure the schools would have an audit of what they are doing with their funds.

SENATOR TITUS:

For the overall picture, since there is no additional money involved, to become an empowerment school, are you saying that school has the opportunity to not follow the rules that other school districts have to follow?

MR. FEULING:

Potentially, yes.

CHAIR LANGE:

Our Counsel has something to add.

MR. KILLIAN:

In response to an earlier question about whether this would apply to the Clark County School District (CCSD) or not, when the empowerment school program was originally enacted back in 2007, it obviously applied to all schools Statewide and all school districts. Subsequently in 2017, the Legislature enacted what became the reorganization of the CCSD, the provisions that relate to the organization of large school districts. This is a much more extensive and specific set of rules that govern CCSD in particular. That effectively superseded the provisions of the empowerment school subhead for CCSD in particular. As amended by S.B. 46, similar provisions would apply. The new empowerment district model also would be superseded by the much more extensive and specific provisions of the reorganization that apply to CCSD. This model would generally be available to the other 16 school districts in the State, but the reorganization would still apply to CCSD.

CHAIR LANGE:

Would this also grant a waiver from a collective bargaining agreement?

MR. FEULING:

That would not be the intent.

CHAIR LANGE:

We probably need to clarify that.

MS. PIERCZYNSKI:

I think the thrust of this bill is to provide a lot of local control and allow districts to make more local decisions on how to operate their schools and educate their children. It is a complicated process outlined in the bill, and there are lots of steps to go through, but it is certainly an interesting concept and we support the conversation.

MS. BARNES:

We support S.B. 46, and we support our colleagues at the Carson City School District.

HANK BROWN (Carson Montessori Charter School Student Legislative Team):

We are in support of S.B. 46. I would like to start off with how empowerment districts operate very similar to charter schools. Being in empowerment means we can be flexible to truly meet the needs of students. Carson City's strategic plan is very similar to Carson Montessori's. The Carson City School District is our sponsor, and our charter allows for flexibility, involvement and cooperation from families, and families have to be involved. Less reports, especially since so many are duplicates, help free up educators to work with students and get their job done. More is not better when it comes to reports, so if we have to do less, then that is a good thing.

My school has partnered with Africa and there are some students on site who are dehorning rhinos. On a different occasion, some students helped to build schools in Ecuador. These students were not marked absent because of our flexibility, and we allowed them to use what we call a travel packet, which allows them not to be marked down as absent when they are on a learning opportunity field trip. When we rewrote our charter, students helped write it, had a voice in it, and they did the presentation of it. I was part of the presentation when I was in second grade. Our principal is our student legislative team coach and she has had a team for many years. Senator Hammond, you helped us with the Neon bill, so you must know how flexible Carson Montessori Charter School truly is.

I know this is a little off topic, but I cannot resist commenting on funding. In a recent article from Anchorage, Alaska, their per pupil funding is over \$20,000 and we would love that for our school. We could then spend the whole year in Africa on a field trip and, trust me, the data we would collect would be hands-on from us.

MR. DALY:

We are opposed to S.B. 46. We have admiration and respect for our local affiliates in Carson City and Superintendent Feuling, but we think there may be unintended consequences to this bill that prove fatal. When State government passes statutes, oftentimes there are very good Statewide reasons and justifications for doing it. Even if an individual district might find one of those requirements burdensome, we think the bill probably needs to be rethought.

CHAIR LANGE:

Seeing no more testimony, I will close the hearing on S.B. 46 and open public comment.

MR. DALY:

I want to point to the Commission on School Funding presentation by Chair Guy Hobbs. One slide in his presentation looked at per pupil funding comparisons side-by-side between 2020 and 2024 with the Governor's new recommended budget. If you do subtraction in 2020, the difference between the per pupil funding in Nevada that year and the optimal as identified by APA is \$4,789. That is a \$4,789 shortfall in terms of optimal. Fast forward to 2024 and even with the historic appropriation that the Governor has proposed in this year's budget, you see that we are largely running in place. What is the difference between the Governor's recommendation for per pupil funding the next fiscal year and the APA optimal funding? It is \$4,693, which is even less than in 2020. So the progress made in terms of total dollars getting closer to optimal is at less than \$100 per pupil. Basically, what this indicates is that we have seen big inflation numbers over the last few years, which is good news, because it means more revenue into the budget. The bad news is that means the cost of operations go up. I just want to point that out. I appreciate all the work the Commission is doing, and we look forward to getting into this in more detail in the money committee ([Exhibit H](#)).

Senate Committee on Education
February 10, 2023
Page 35

CHAIR LANGE:

Seeing no more public comment, I will adjourn the meeting of the Senate Committee on Education at 3:26 p.m.

RESPECTFULLY SUBMITTED:

Linda Hiller,
Committee Secretary

APPROVED BY:

Senator Roberta Lange, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit Letter	Introduced on Minute Report Page No.	Witness / Entity	Description
	A	1		Agenda
	B	1		Attendance Roster
	C	2	Guy Hobbs / Commission on School Funding	Nevada Commission on School Funding Recommendations 2021 2022
	D	2	Guy Hobbs / Commission on School Funding	Nevada Commission on School Funding Presentation
	E	6	Megan Peterson / Nevada Department of Education	Pupil-Centered Funding Plan Mechanisms and Implementation Presentation
S.B. 56	F	14	Dylan Shaver and Seng-Dao Yang Keo / Washoe County School District	Washoe County School District Presentation
S.B. 46	G	25	Andrew Feuling / Carson City School District	Empowerment Districts Presentation
	H	34	Chris Daly / Nevada State Education Association	Public Comment