MINUTES OF THE MEETING OF THE
SENATE COMMITTEE ON FINANCE
AND
ASSEMBLY COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEES ON LEGISLATIVE COMMISSION'S BUDGET SUBCOMMITTEE

Eighty-first Session
January 22, 2021

The joint meeting of the Subcommittees on Legislative Commission's Budget Subcommittee of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Chris Brooks at 8:36 a.m. on Friday, January 22, 2021, Online. Exhibit A is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Chris Brooks, Chair
Senator Moises Denis, Vice Chair
Senator Nicole J. Cannizzaro
Senator Julia Ratti
Senator Marilyn Dondero Loop
Senator Ben Kieckhefer
Senator Pete Goicoechea
Senator Scott Hammond
Senator Heidi Seevers Gansert

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblywoman Maggie Carlton, Chair
Assemblywoman Daniele Monroe-Moreno, Vice Chair
Assemblywoman Teresa Benitez-Thompson
Assemblyman Jason Frierson
Assemblywoman Michelle Gorelow
Assemblywoman Sandra Jauregui
Assemblywoman Brittney Miller
Assemblywoman Sarah Peters
Assemblyman Howard Watts
Assemblyman Gregory T. Hafen II
Assemblyman Glen Leavitt
Assemblyman Tom Roberts

Assemblywoman Robin L. Titus
Assemblywoman Jill Tolles

STAFF MEMBERS PRESENT:

Wayne Thorley, Senate Fiscal Analyst
Sarah Coffman, Assembly Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Brody Leiser, Principal Deputy Fiscal Analyst
Melodie Swanson, Committee Secretary
Tom Weber, Committee Secretary

OTHERS PRESENT:

Chris Daly, Nevada State Education Association
Jhone Ebert, Superintendent of Public Instruction, Nevada Department of Education
Heidi Haartz, Deputy Superintendent for Business and Support Services, Nevada Department of Education
Melody Rose, Ph.D., Chancellor, Nevada System of Higher Education
Andrew Clinger, Chief Financial Officer, Nevada System of Higher Education
Brian Sandoval, President, University of Nevada, Reno
Keith Whitfield, President, University of Nevada, Las Vegas
Kumud Acharya, President, Desert Research Institute
Ondra Berry, Major General, Adjutant General, Office of the Military
Cheryl Tyler, Administrative Services Officer, Office of the Military
Lauren Schulman, Administrator, National Guard Youth Challenge Program, Office of the Military
Clayton Chappell, Colonel, Commander, 17th Sustainment Brigade, Office of the Military
Katherine Miller, Director, Department of Veterans Services
Fred Wagar, Deputy Director, Department of Veterans Services
Kelly Grondahl, Principal, Vegas Verdes Elementary School
Maria Nieto-Oreta, Nevada Immigrant Coalition
Kent Ervin, Nevada Faculty Alliance

CHAIR BROOKS:
These Subcommittees will start this meeting by hearing public comment.

CHRIS DALY (Nevada State Education Association):
The Nevada State Education Association's concerns regarding Senate Bill (S.B.) No. 543 of the 80th Session are described in Chris Daly, Nevada State Education Association (Exhibit B). Despite being an active participant in the development of S.B. No. 178 of the 78th Session and sitting on the funding-study work group during the following interim period, the Association was shut out of the process of developing this bill. The Association has appeared or submitted written testimony at each meeting of the Nevada Department of Education's Commission on School Funding, but its concerns have not been addressed.

Additionally, the Department's Zoom and Victory School programs are being mishandled. The Funding Commission was charged with modeling its new funding plan alongside the Department's New Nevada Education Funding Plan, but its numbers varied wildly. During the Funding Commission's September 2020 meeting, Jeremy Aguero of Applied Analysis expressed concerns about how Nevada's economy will operate over the next few years due to the Covid-19 crisis. While the Association was encouraged that Governor Steve Sisolak recommended a phased-in implementation of the new funding formula, implementation of a new funding plan should be delayed until after the pandemic.

CHAIR BROOKS:
These Subcommittees will now hear an overview of the Department's operating budgets for kindergarten through grade 12 (K-12) funding as described in the Executive Budget.

JHONE EBERT (Superintendent of Public Instruction, Nevada Department of Education):
As the Department has been reporting its recovery and response efforts during the Covid-19 crisis, it strives to keep the State accountable to students, educators and families in times of uncertainty. The Department is staying grounded in its values. The values of the Department's Statewide Plan for the Improvement of Pupils (STIP) are based in equity, access to quality education,

student success, inclusivity, community and transparency. The Department's responsiveness to the Covid-19 pandemic and the economic crisis has revolved around its six educational values, helping form the Executive Budget. The Department strives to utilize these values in all of its operations, including its Pupil-Centered Funding Plan (PCFP). These six values are described on slide 2 of K-12 Education Funding (Exhibit C).

Ambitious visions of where the Department wants the education system to be in 2025 are included in its STIP goals. There was a clear message from school districts, leaders and community members that they wanted the Department to set high standards to be used in propelling Nevada forward. No matter where a student lives or attends school, the Department is dedicated to their success.

Highlights of the Department's K-12 funding plan are shown on slide 4 of Exhibit C. Since S.B. No. 543 of the 80th Session was passed, the Department has transitioned its funding formula from the Nevada Plan to the PCFP while striving to maintain equity. These two funding formulas are not directly comparable.

HEIDI HAARTZ (Deputy Superintendent for Business and Support Services, Nevada Department of Education):
In the Executive Budget, the Governor recommends the restoration of funding for several K-12 programs that were reduced or eliminated during the Thirty-first Special Session. These programs are to be incorporated into the PCFP during the 2021-2023 biennium. They are described on slide 5 of Exhibit C and include the Nevada Plan set forth by S.B. No. 178 of the 78th Session. Budget restorations will be made to the Department's Read by Grade 3 program, the Gifted and Talented Education (GATE) program and to social workers and school resource officers.

Due to the economic uncertainty Nevada faces during the Covid-19 pandemic, the Governor has recommended reductions to K-12 funding as described on slide 6 of Exhibit C. Additional budget reductions are being recommended for underperforming schools receiving funding from the Department's Turnaround Grant, and U.S. Department of Education, college and career Readiness programs. These two programs are being suspended for the time being. The Department is looking for ways to incorporate key components of these

programs into existing activities and funding as well as looking for sources of funding outside the General Fund. Despite the recommendations for budget reductions, there will still be funding for the Department's Advanced Placement and International Baccalaureate program, class-size reduction (CSR) programs and Read by Grade 3.

The Governor has recommended the addition of approximately $62 million during the 2021-2023 biennium to support school operations for the per pupil funding (PPF) allocations. The order of operations used to build the K-12 budget include, and begin with, the Nevada Plan which was used to calculate the base budget for the upcoming biennium. Restorations, reductions and enhancements were then incorporated. Ultimately, the resulting revenues were allocated through the PCFP model.

The Nevada Plan includes adjustments as part of its model to distribute funding to all school districts and schools within the Nevada State Public Charter School Authority. Slide 8 of Exhibit C lists the adjustments that already exist in the current funding methodology. These adjustments impact the funding allocated through budget account (B/A) 101-2610, CSR programs and the State's maintenance of effort (MOE) requirement for special education.

EDUCATION

K-12 EDUCATION

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Budget Account 101-2610

Slide 9 of Exhibit C summarizes the adjustments made to the Nevada Plan and shows the costs of each adjustment included in the Executive Budget. All of these adjustments are proposed to be funded with General Fund revenue consistent with historic budget practices.

Slide 10 of Exhibit C shows the actual and projected enrollment of students during the 2021-2023 biennium and the basic support amount for the Nevada Plan's PPF mechanism. In fiscal year (FY) 2020-2021, enrollment

numbers are anticipated to be less than projected in the budget the Legislature approved in the Eightieth Legislative Session. Regarding anticipated enrollment numbers, the Department will update enrollment projections in the spring for the upcoming biennium, based on actual enrollment numbers for the current school year. This is a normal part of the budget review and development process. This is especially important during these uncertain times, as students are being educated in a variety of settings.

Education for K-12 is currently funded by the State using the sources of revenue identified on slide 11 of Exhibit C. These sources include Recreational Marijuana Retail Tax revenue; portions of Slot Tax revenue; transfers from the State Treasurer Investment Fund, Permanent School Fund; out-of-State sales tax; and Lodging Tax on Hotels and Motels revenue. Additionally, each county contributes to its cost of public education through locally-derived taxes, including the Government Services Tax (GST), the Property Tax, franchise fees, net proceeds of minerals and local sales taxes.

Senate Bill No. 543 of the 80th Session revised Nevada's K-12 funding formula, and represents the most significant update to the education funding formula in more than 50 years. Senate Bill No. 543 of the 80th Session includes various activities to support the implementation of the PCFP. The implementation of S.B. No. 543 of the 80th Session has been guided by the Funding Commission who have been meeting monthly since November 2019. The Department has greatly benefited from the addition of two staff solely dedicated to the development and implementation of the PCFP. These positions were funded through a Legislative Counsel Bureau (LCB), Interim Finance Committee (IFC) contingency fund allocation. Other benefits experienced by the Department as a result of the implementation of S. B. No. 543 of the 80th Session are described on slide 12 of Exhibit C. Additionally, the Department has benefited from collaborations with the Governor's Finance Office (GFO), the Nevada State Controller, the Nevada State Treasurer and the Department of Taxation.

The Funding Commission has identified four guiding concepts for implementation of the PCFP. These concepts include the recognition of diversity among students and are described on slide 13 of Exhibit C. Maintaining equity ensures funding, addresses needs of students and recognizes the differences in

education costs across school districts' size and density. Being accountable includes reporting on data and metrics such as tracking spending trends, school-level expenditures, open-enrollment trends and school capacity. This will help the Department ensure the PCFP is working as intended and identify areas needing improvement. It will also strengthen the capacity of the funding formula to ensure it meets the educational needs of students. The concept of flexibility streamlines the funding process and ensures equitable funding while giving schools flexibility to align spending with the varying needs of students.

Over the last 18 months, the Funding Commission has reviewed all components of S.B. No. 543 of the 80th Session including the State Education Fund, the PCFP model, the weights included in the PCFP model, adjustment factors, Hold Harmless Provision calculations and the Department's Education Stabilization Account.

The Funding Commission has also reviewed school district and State budgets to understand how funds will flow through the PCFP. The Funding Commission conducted a comparative analysis looking at both school district and Department budgets in FY 2020-2021 as currently implemented and how these budgets will be implemented using the PCFP. In July 2020, the Funding Commission put forward its recommendations to the Governor and Legislature to provide input on how best to move forward with the successful implementation of S.B. No. 543 of the 80th Session. These recommendations fall into three general areas. The first recommendation relates to revisions of the PCFP model. The second pertains to PCFP implementation, and the third pertains to reporting requirements.

The Funding Commission has now directed its focus towards the development of optimal education and funding. It is currently identifying what should be included in these conversations and how best to propose funding for its recommendations moving forward. The Funding Commission's role does not end once the PCFP is implemented. It has an ongoing role and responsibility to continually monitor the implementation of the PCFP and make recommendations for improvement. Recommendations will then be sent to the Department and the LCB's Legislative Committee on Education. The hope is that by having continuous input from the Funding Commission the PCFP model will continue to meet Nevada's educational needs.

Slide 15 of Exhibit C summarizes the Funding Commission's recommendations that were put forward regarding the development of the PCFP model. The Funding Commission recommended that the PCFP model include a district-size adjustment by attendance area to consolidate requirements included in S.B. No. 543 of the 80th Session. Senate Bill No. 543 of the 80th Session defines at-risk students as those students who are eligible for free-and reduced-price lunches. Concerns were identified when using this measure. The removal of the State's MOE for special education has been incorporated into the Executive Budget, as the language within S.B. No. 543 of the 80th Session indicates it is possible to create separate accounts within the State Education Fund for all federally funded programs. This will also include any corresponding General Fund allocations dedicated to the MOE or matching fund requirements.

The Funding Commission recommendations made to the Governor and Legislature regarding the PCFP are described on slide 16 of Exhibit C and include adding charter schools to the Hold Harmless Provision. As written, S.B. No. 543 of the 80th Session indicates the Hold Harmless Provision applies only to school districts. The Funding Commission also recommended clarifying the definition of a school district's ending-fund balance. This is necessary to reach a concrete understanding and expectation of which funds should be included in an ending-fund balance and clarify that excess funding should be transferred to the Stabilization Account.

The Funding Commission recommendations related to reporting requirements stated in S.B. No. 543 of the 80th Session are described on slide 17 of Exhibit C. State reports should be due on an annual or biennial basis rather than in February or November. The Funding Commission recognized that with all of the reporting done at the local and State levels, there are often times when similar pieces of data are asked for in slightly different ways. Recommendations also state that the reporting of professional development activities be modified so reporting can be done at the school-district level to identify the source and amount of funding expended. Senate Bill No. 543 of the 80th Session indicates this reporting should be done by teachers.

Slide 18 of Exhibit C summarizes all of the major components of S.B. No. 543 of the 80th Session. Through S.B. No. 543 of the 80th Session, the State Education Fund is intended to be a special revenue fund to be equal to

the General Fund or the State Highway Fund. The State Education Fund is to be funded by the revenue currently administered by the Department for K-12 education, and distributed through B/A 101-2610, State categorical grants and local revenue. Additionally, the State Education Fund will include other federal grant accounts, MOEs and match funding.

The Pupil-Centered Funding Plan allows the flow of funds through five-tiered levels. The Department often refers to these tier levels by letter similar to how the tier levels are referenced in S.B. No. 543 of the 80th Session. Tier level A includes the Nevada State Board of Education, the Department's administrative accounts and other programs or services directly administered by the Department. Tier level B is school operations and includes funding for school district auxiliary services. Tier level C and tier level D are consolidated under per pupil base funding on slide 18 of Exhibit C. School districts will be funded using their adjusted-base funding amount based on their county's calculations. Charter schools have two levels of funding they would receive based on the type of educational services students are receiving. Charter schools would receive the Statewide base PPF amount for all students enrolled fulltime in a distance-learning program. Charter schools would receive the adjusted base PPF amount for all other students with the amount being determined by the county in which the school is located.

Slide 19 of Exhibit C summarizes all of the major components of S.B. No. 543 of the 80th Session but has been modified to only include the components the Governor has recommended for implementation during Phase 1. The Executive Budget includes a recommendation that the PCFP begin implementation during the 2021-2023 biennium using funds currently administered by the Department. These funds are listed under B/A 101-2609. Phase 2 will continue in the 2023-2025 biennium and would incorporate local revenue into B/A 101-2609. The Executive Budget includes a shift from the State Education Fund to B/A 101-2609.

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The Department has worked closely with the GFO and the State Controller regarding accounting concerns. The State Education Fund may not be eligible to receive General Fund allocations normally passed through to school districts. To rectify this, the State Education Fund was converted to B/A 101-2609. In Phase 1, the Department's budget accounts are recommended to be removed from the PCFP in implementation phases moving forward. It has been determined that, by removing Department and Education Board administrative accounts from the PCFP's distribution methodology, it would allow the Department's budgets to continually be administered and funded in a way consistent with other Nevada Executive Branch agencies.

In Phase 1, auxiliary services would not be funded through the allocation from the State. The money ordinarily designated for auxiliary services is financed with revenue coming from locally administered taxes. Phase 1 would also include the distribution of funding for school districts, charter schools and the three weighted categories of students. There are some programs and activities not included in the allocation of funding through the PCFP which include federally funded programs, programs with a State General Fund requirement for matching funds or MOE, pre-kindergarten (Pre-K) programs, the Department's Nevada Adult Education and the Department's Teach Nevada Scholarship Program.

Slide 19 of Exhibit C describes the Stabilization Account. This account is utilized when the revenue in B/A 101-2609 falls below 97 percent of the amount authorized by the Legislature for a fiscal year. The Stabilization Account is funded by transfers from school districts with an ending-fund balance greater than their FY 2019-2020 ending-fund balance. Funds are transferred from B/A 101-2609 into the Stabilization Account at the close of each fiscal year. Any remaining unexpended funds would not revert to the General Fund.

Slide 20 of Exhibit C lists the funds flowing into B/A 101-2609. The revenue listed under Phase 1 are the funds currently administered by the Department to fund B/A 101-2610 and other State-funded grant programs. The revenue listed under Phase 2 are revenue streams currently administered at the local level to support local K-12 activities. Unique to the Nevada Plan, the State guarantees 100 percent of the Local School Support Tax, one-third of the Nevada Property Tax and one-third of the Net Proceeds of Minerals tax. The phased-in

implementation of the PCFP is not to receive local revenue beginning in FY 2021-2022. Under the full-implementation model, all revenue would flow into B/A 101-2609.

State revenue is allocated through B/A 101-2610 and State-funded grant programs. The State-funded grant programs are administered based on a formula or a competitive basis. With the implementation of the PCFP, many State categorical grants will be consolidated into the Statewide base PPF amount. Slide 21 of Exhibit C lists the grants to be included in the Statewide base PPF amount. The programs and services being provided with this funding will not necessarily end. What will change is that instead of school districts receiving a specific amount of money for programs, they will receive their allocation and be given the opportunity to decide how best to invest their allocations to meet the needs of students for a given school year.

The PCFP model contains weighted-funding for at-risk students, English-language learners (ELL) and GATE students. These categories and their funding sources are described on slide 22 of Exhibit C. The Department is working on regulations to support the alternative definition of at-risk students and the adoption of the definition by the Education Board. Non-K-12 programs and activities will be funded outside of the PCFP as well as federally funded programs.

Slide 24 of Exhibit C identifies the budget accounts within the Department that will not be administered or funded through the PCFP and identifies incentives to be administered by the Department through B/A 101-2616.

NDE – Incentives for Licensed Educational Personnel—Budget Page K-12 Education-62 (Volume I)
Budget Account 101-2616

Slide 25 of Exhibit C lists the federally funded and non-K-12 programs that will continue to be funded outside of the PCFP.

The Executive Budget recommends approximately $1.7 billion in funding for K-12 education specifically allocated through the PCFP in FY 2021-2022 and approximately $1.6 billion in FY 2022-2023. Slide 26 of Exhibit C lists the

sources of the revenue flowing into B/A 101-2609 which helps explain how these revenue streams will ultimately come together within B/A 101-2609. Locally managed and generated revenue that will not flow into B/A 101-2609 until the 2023-2025 biennium are listed as well.

Funding in the PCFP begins with a calculation based on enrollment and revenue. The Statewide base PPF pupil funding amount for FY 2021-2022 is projected to be $2,934, and for FY 2022-2023 is projected to be $2,852. Revenue within B/A 101-2609 is projected to decrease by FY 2022-2023.

Once the Statewide base PPF amount is determined, a set of adjustments are applied to determine the adjusted base PPF amount for each school district. School district adjustments are described on slide 28 of Exhibit C. The base PPF amount is adjusted by the Funding Commission's Nevada Cost of Education Index (NCEI), which looks at the costs of goods, services and labor within each region of counties. Charter schools also receive an adjusted base PPF amount, but this amount only includes an NCEI adjustment. These adjustments are different to those existing within the Nevada Plan and the Department's Equity Allocation Model, but the concepts of the plans are similar.

Slides 29 and 30 of Exhibit C show the adjustments being made to the Statewide base PPF amounts for the 2021-2023 biennium. Once adjustments are made to take into consideration the variables impacting the cost of education across each county, there is a range of adjusted base PPF amounts. The amounts pertaining to charter schools are averaged as each charter school will receive the adjusted base PPF amount based on the county in which the school is located.

Based on the recommendations of the Funding Commission, initial weights were established for ELLs, at-risk students and GATE students by dividing the General Fund appropriation in FY 2019-2020 by the number of eligible students in that year. This methodology was subsequently applied to funding available in FY 2020-2021 following reductions from the Thirty-first Special Session. A weight and PPF amount were then calculated. Fiscal year 2020-2021 is listed as a baseline on slide 31 of Exhibit C to demonstrate the process of increasing PPF each year if revenue exists to do so. The weights identified for the three categories of students appear to meet the targets set by the Funding

Commission with the weights and percentages being artificially inflated due to the amount of revenue within B/A 101-2609 only including State revenue. If 100 percent of eligible revenue was included, the weights would be much less, but the PPF amount would not increase significantly.

The recommended weights put forward by the Funding Commission are based on the recommended weights for ELLs and at-risk students included in the Augenblick, Palaich and Associates' (APA) 2018 School Finance Study. The Funding Commission recommended weights of 0.14 for GATE students. The way Nevada currently weighs GATE students exceeds the recommendations put forward in the APA Study, but the Funding Commission felt it was important to raise funding in an equitable fashion for the services that students are eligible to receive.

The Legislature's intent regarding the Hold Harmless Provision in S.B. No. 543 of the 80th Session is described on slide 32 of Exhibit C. The Department confirmed the methodology used for school-district funding by looking at all revenue, including State revenue.

Slide 33 of Exhibit C shows PCFP funding for FY 2021-2022 and shows distinct pieces of information. All of the numbers on the slide do not add up. The numbers on this slide represent the calculations contained in the Executive Budget. The Hold Harmless Provision amounts were established using State-administered revenue to each school district. The funding allocation amounts represent a redistribution of funding, so school districts receiving more money through the PCFP then they received in their Hold Harmless Provision in FY 2019-2020 will receive less funding. This is done so school districts that receive less funding through the PCFP in FY 2021-2022 can have their funding allocation adjusted in FY 2021-2022 to meet their FY 2019-2020 amount. A slight decrease in funding is proportionately applied to all school districts receiving more money under the PCFP. Slide 34 of Exhibit C describes PCFP funding for FY 2022-2023.

The Department is often asked how the PCFP compares to the Nevada Plan, but the two models are very different which makes a direct comparison difficult. The revenues, methodologies and outcomes of the two plans differ. Slide 35 of Exhibit C attempts to compare the two models to show the differences in

calculating PPF amounts. If the Nevada Plan were modified to include the same State revenue flowing through the PCFP in Phase 1, its PPF amount would be $2,842 in FY 2021-2022. If the PCFP were to be adjusted to include all revenue, which is not currently being recommended in the Executive Budget, its Statewide base PPF amount would be approximately $6,876 per pupil in FY 2021-2022. The Nevada Plan calculations were used as the starting point in the Executive Budget for the 2021-2023 biennium. The PPF amount is higher when using the PCFP. This was anticipated as the PCFP includes funds that have been historically distributed through B/A 101-2610, State categorical grants and local contributions to education.

MS. EBERT:
Other issues the Department has been experiencing during the Covid-19 crisis regarding education are described on slide 36 of Exhibit C. We are concerned with the education and well-being of families and communities. Thanks to the General Fund and federal funding, a large technological investment was made to connect distance-learning students, teachers and colleagues. The long-term system upkeep will be a concern moving forward. The Department strives to communicate with and be responsive to its constituents. The Department also strives to make its plans for moving forward available in multiple languages, which can be expensive. It costs $8,000 to translate one of these documents. The Department was fortunate that philanthropic organizations covered these costs, as the costs were not included in the Department's budgets.

I appreciate the Legislature approving the Department to update its old financial system and Microsoft Excel spreadsheets during the 2019-2021 biennium. This was revised during the Thirty-second Special Session. As future revenue is generated during the 2021-2023 biennium, the Department will put in a request to update its human resources and financial systems. The Department uses the Department of Administration, Division of Enterprise Information Technology Services (EITS) to help constituents, but the EITS website is not updated in real time making it difficult to provided information until scheduled updates. The Nevada Plan is close to 50 years old, and the Department is looking forward to creating equity for students in a fair and transparent way under the PCFP.

CHAIR BROOKS:
I appreciate the Department's efforts. Making a major structural change to education funding can be difficult during a pandemic with uncertain generation of revenue.

ASSEMBLYWOMAN TITUS:
I appreciate Superintendent Jhone Ebert's dedication to students. It was discussed that all State and local revenue being provided for K-12 education will be deposited into a new State Education Fund. Regarding local funding, there are many school districts who raise funds through individual community efforts, and local fundraising and donations. Will these school districts still be able to keep their own budget accounts for separate funds they are receiving?

MS. EBERT:
Yes, school districts will be able to maintain local, philanthropic funds.

ASSEMBLYWOMAN TITUS:
Will any remaining funds the school districts are managing at the local level be moved into the Stabilization Account at the end of the year? Will this be transparent? I know the Governor can determine how this money will be used?

MS. HAARTZ:
The Stabilization Account would be funded by ending-fund balances exceeding 16.6 percent of total expenditures or by funds exceeding the ending-fund balance established at the end of FY 2019-2020. Ending-fund balances are intended to be unrestricted funds, and the Funding Commission recommended the term "ending-fund balance" be clarified to accommodate the situations you are describing. When school districts have identified funding for future obligations, they might not want these funds swept into the Stabilization Account. In the event the State Education Fund generates a balance greater than 15 percent of the funds available in B/A 101-2609, there is an opportunity for the difference in funds to be transferred into B/A 101-2609 and be reinvested into education. This would be included in the Executive Budget, and the Legislature could approve or disapprove the transfer of funds.

ASSEMBLYWOMAN TITUS:
Will there be transparency, and will the funds be tracked?

MS. HAARTZ:
Yes. Additionally, in the event revenue in B/A 101-2609 was being earned at 97 percent or less than the legislatively-approved budget, IFC would be able to transfer funds out of the Stabilization Account into B/A 101-2609 via a resolution.

ASSEMBLYWOMAN TITUS:
The Department estimates the GST will generate $117.6 million. Will 100 percent of this revenue be swept into the Stabilization Account, or will there be a 50-50 split? How much of the GST will go into education?

MS. HAARTZ:
Under the phased-in implementation of the PCFP, the GST will remain at the local level. As we move into Phase 2 of implementation, funding from the GST will be transferred into B/A 101-2609 and distributed through the PCFP to each school district and charter school.

ASSEMBLYWOMAN TITUS:
Will 100 percent of the GST be swept into the Stabilization Account, or will it be weighed against Highway Fund dollars and other funding sources?

MS. HAARTZ:
During Phase 1 of the PCFP, no GST revenue will be moved into B/A 101-2609.

ASSEMBLYWOMAN TITUS:
What percentage of the GST will be taken during Phase 2 of implementation?

MS. HAARTZ:
This would continue to be the same proportion currently allocated to a county to serve its school districts.

ASSEMBLYWOMAN TITUS:
Do you know what this number is?

MS. HAARTZ:
I will get back to you with this information.

ASSEMBLYWOMAN TOLLES:
Has the GFO estimated how much local revenue will be available for each school district? When do you anticipate these estimates will be released to school districts so they can make their budgets?

MS. HAARTZ:
The Department and GFO are working to identify the locally-generated revenue available to each county. School districts are currently working on their FY 2021-2022 budgets, and they will project how much local revenue will be generated by tax proceeds.

ASSEMBLYWOMAN TOLLES:
Are school districts and the GFO determining the amount of local revenue? Will these numbers eventually be combined?

MS. HAARTZ:
In the past, the Executive Budget has included projections for the three tax revenue streams historically guaranteed through the Nevada Plan. School districts also estimate what local revenue will be available via these taxes when making their budgets, but these numbers do not always align. The Department is working with the GFO to acquire county-specific data and school district data, and we will be happy to share this information once it is received.

ASSEMBLYWOMAN TOLLES:
Will this information also be shared with the Legislature when it is shared with school districts?

MS. HAARTZ:
Yes.

ASSEMBLYWOMAN TOLLES:
I have concerns regarding the move from categorical funding to per pupil base funding. If a school district receives $5 million for its Zoom schools, what will happen if it then receives $20 million for ELL services? Under the PCFP model,

will school districts be expected to provide the same level of services for Zoom schools if it receives less funding for these services?

MS. EBERT:
The Pupil-Centered Funding Plan model intentionally allows for more local control in meeting student outcomes. The expectations for Department students and school districts have not changed regardless of the funding received for a program.

ASSEMBLYWOMAN TOLLES:
If school districts have become accustomed to using Zoom funding for specific curriculum, resources and support, I would like to know what will happen to expectations if there is a reduction in funding for these services. Will a Hold Harmless Provision come into play here? I understand that the purpose of the PCFP is to get resources to high-need students, but this can be felt and translated differently between schools and school districts. Expectations may need to be changed for schools who are receiving less funding under the PCFP, and more discussions need to be had regarding this.

ASSEMBLYMAN ROBERTS:
Will Hold Harmless Provisions still apply to school districts receiving a reduction in funding? Does the Hold Harmless Provision apply to the total allocation of funding received by a school district per year, or does it apply to the amount of PPF received? If a small school district increases by 100 pupils, will the amount of PPF it receives be reduced based on a Hold Harmless Provision?

MS. HAARTZ:
The Pupil-Centered Funding Plan allocates funding on a per pupil basis based on the projected student enrollment of each county. If a school district receives less funding under the PCFP than it would under the provisions of S.B. No. 543 of the 80th Session, the Hold Harmless Provision would come into effect, and the school district would receive the same amount of funding as it did in FY 2019-2020. If a school district gains 100 students but does not see an increase in funding through the PCFP, it would support the additional 100 students at FY 2019-2020 funding levels.

ASSEMBLYMAN WATTS:
Weighted funding is the most equitable solution for meeting student needs, but I am concerned about the funding sources used to support the weighted-funding formula. Many of these funding sources are available to at-risk schools, but these schools might have less funding available through CSR programs, Zoom and Victory school funding, S.B. 178 of the 79th Session and social worker grants.

Similar to Assemblywoman Tolles' concerns, I am interested in the effect of the PCFP on Hold Harmless Provisions at the school-level. I would like to know which particular schools will receive less funding or augmented funding and how they will be able to support existing programs. Problems will grow with the loss of Turnaround Grants as schools often have trouble maintaining advancements once these grants are gone. I want to know how a school being deemed "at-risk" will affect the way weighted-funding is distributed. A reduction of college and career Readiness programs will also affect how school districts meet their workforce and economic development goals. How will the Coronavirus Aid, Relief and Economic Security (CARES) Act affect K-12 budgeting and funding during the 2021-2023 biennium?

MS. EBERT:
The Department and Legislature have been working on how to best fund schools. Senate Bill No. 543 of the 80th Session laid out a 10-year plan for funding all of the weighted categories within the PCFP. Some of the school-based programs mentioned by Assemblywoman Tolles are proof of concept, such as extending school days or school years and creating reading laboratories. If these programs are able to meet expectations of funding and can expand into other schools, they will continue to exist. The Funding Commission is working on funding these programs at an optimum level, and information regarding these activities will be provided to the Legislature at a later date.

ASSEMBLYMAN WATTS:
For the weighted-funding formulas to work and be equitable, we need to make sure all schools receive the resources necessary to support their students. Additionally, schools relying on categorical funds to improve student outcomes need to receive necessary support.

ASSEMBLYWOMAN JAUREGUI:
Regarding the projected number of students, why is there a difference of approximately 15,000 students between the number of projected students and the number of students actually enrolled as shown on slide 10 of Exhibit C?

MS. HAARTZ:
Regarding the legislatively-approved budget, the projected student enrollment numbers were overly optimistic for FY 2020-2021. There are not as many students enrolled in school as was anticipated. This school year, the Department is seeing a variation of numbers regarding enrollment data. This is due to the Covid-19 pandemic. Families are stating that they will keep their children at home or will be pursuing alternative education until schools are completely open for in-person learning. Regarding the second quarter of the current school year, there is an average of 474,385 enrolled in Nevada schools.

ASSEMBLYWOMAN JAUREGUI:
Does the Department keep track of students who are not doing in-person learning or distance learning? Are these students using alternative education methods, or are they going to school out-of-State?

MS. EBERT:
Families submit a document to their school district when they decide to home-school their children, so school districts have this information. The Department's enrollment numbers are inclusive of charter schools. The Department noticed a lower number of students enrolled in kindergarten as a result of the Covid-19 pandemic. This could be the result of Nevada not requiring children to be enrolled in a kindergarten program or because families are choosing to keep their children at home during the pandemic.

SENATOR KIECKHEFER:
The Department indicated its expectations regarding student outcomes are not going to change, despite of changes to the funding formula. I am concerned about incorporating CSR into base funding. There is $330 million in add-on, categorical, CSR funding being dedicated to kindergarten through 3rd (K-3) grades during the 2021-2023 biennium. If half of the $330 million is incorporated into base funding through the PCFP, I am concerned school districts will not be able to fund positions that are based on the number of

students in a particular class. These types of positions were not fully funded by school districts previously, but rolling CSR funding into base funding may make it more difficult to fund these positions. Waivers may then have to be distributed to schools not meeting expectations. Does the GFO or the Department plan to introduce legislation that could change CSR requirements for grades K-3?

MS. EBERT:
School districts may apply for waivers if they are not able to meet CSR objectives. When the CSR objectives were formed during the Thirty-second Special Session, school district superintendents were given the opportunity to discuss and identify which local CSR components they would prefer to modify. The Department will continue collaborating with all 17 school districts and the Charter School Authority to address CSR concerns.

SENATOR KIECKHEFER:
I constantly hear from teachers how difficult and intolerable it can be to manage a class size of 40 or 50 students, and I am worried these concerns are not being addressed. I am also concerned regarding the Funding Commission's discussion on NCEI adjustments as shown on slide 30 of Exhibit C. Housing and labor costs have skyrocketed in Washoe County and Carson City, but there is no adjustment to the NCEI in these areas. How current and accurate is the NCEI data being shown for these areas?

MS. HAARTZ:
The Funding Commission and the Department have spent a lot of time discussing the NCEI adjustments, even asking subject-matter experts to review the proposed funding methodology; these issues are very specific to Nevada. In setting the NCEI adjustments, the Funding Commission and subject-matter experts indicated it was very difficult to establish cost-effective factors that would encompass the uniqueness of each county and community. The Nevada Cost of Education Index does not include housing costs in any school district, as these costs can be very volatile. The subject-matter experts noted that several states do not include housing costs in their education-funding formulas. Many people have differing ideas on what should be included in a cost-effective analysis.

SENATOR KIECKHEFER:
If coming up with the NCEI is so difficult and inaccurate, why are we doing it?

MS. HAARTZ:
When the Funding Commission was making the NCEI recommendation, it was striving to meet the intent of the law, which stated cost-effective factors must be included when dealing with smaller school districts; costs of wages, services and goods often vary in these areas. When the PCFP was developed with the NCEI adjustment, some school districts would have lost funding if the true calculation was adhered to. The Funding Commission recommended the NCEI would not be set at less than zero which is also done for the Nevada Plan's equity allocation adjustment. The Funding Commission believed this would be a reasonable way to start forming the NCEI, but since then has expressed concerns this may not be the correct adjustment. It is believed the NCEI is the best adjustment currently available.

SENATOR KIECKHEFER:
When Jeremy Aguero from Applied Analysis presented the PCFP model, we knew forming an accurate NCEI would be difficult. I still feel the NCEI adjustment we are using is not right.

ASSEMBLYMAN LEAVITT:
What is the total amount allocated to each student under PCFP when federal and State contributions are combined?

MS. HAARTZ:
To prepare for this presentation, the Department has focused on describing the PCFP and revenue flowing through B/A 101-2609. We are not prepared to describe all the revenue in the Executive Budget allocated to PPF. However, preliminary documents show this PPF amount to be approximately $9,000 per pupil in each year of the 2021-2023 biennium.

ASSEMBLYMAN LEAVITT:
Will the State adjust its PPF amount when the amount of federal contributions has been established?

MS. HAARTZ:
The PCFP does not allocate funding on a per pupil basis that includes revenue from the federal government. Federal revenue is distributed to school districts based on grants. This is done outside of the PCFP.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
The second round of the Department's Elementary and Secondary School Emergency Relief (ESSER) Grant has been approved with Nevada receiving $477,322,438. New guidance regarding the spending of these funds says that states need to maintain funding at an average equal to FY 2016-2017, FY 2017-2018 and FY 2018-2019 levels. Regarding B/A 101-2609, will the State need to apply for a waiver to receive ESSER funding during Phase 2? How will the State meet federal requirements regarding the three-year average of State contributions?

MS. HAARTZ:
The Governor's Emergency Education Relief (GEER) fund and ESSER funds currently have an MOE requirement stating Nevada will maintain the same level of funding, if possible. This is the same for all states. The Department has done the analysis for FY 2019-2020 based on actual expenditures and was able to meet the MOE requirement. Regarding FY 2020-2021 and beyond, the Department cannot identify if a waiver will be required, as the waivers are based on expenditures occurring during each fiscal year. The Department is monitoring the MOE and is coordinating with the GFO and federal government in case a waiver is eventually required.

ASSEMBLYMAN HAFEN:
Funding the State's education is the most important thing this Legislature does. I would also like to see more information regarding how the State is required to meet the three-year average of contributions for ESSER and GEER funding. I want to compare this information with the amount of PPF received by county to determine how much PCFP funding along with federal funding will be distributed. During the Eightieth Legislative Session, this information was provided to the Legislature when determining how to best fund the State's education needs.

CHAIR BROOKS:
This information would provide more context regarding how Nevada funds its education system.

SENATOR RATTI:
How are the State's special education funds accounted for? Are these funds separate from, or within base funding?

MS. HAARTZ:
The State's special education funding is accounted for separately and is not included in the PCFP.

SENATOR RATTI:
Why is the PCFP using a phased-in approach? I know the State is hurting financially and per the Governor's 2021 State of the State address it will take $270 million to fund the PCFP. Why is local revenue not utilized in the new State Education Fund? This would help with transparency as people often ask why all of Nevada's education funding is sitting in one fund.

MS. EBERT:
There is no way the State could have predicted the economic crisis it now faces. Regarding the resources currently available for the Nevada Plan and the PCFP, utilizing a phased-in approach will ensure the requirements of S.B. No. 543 of the 80th Session are met, while recognizing the economic situation we face. We hope additional revenue comes in soon and using a phased-in approach will ensure transparency.

SENATOR RATTI:
This will be a lot of work considering the economic crisis. Why are all the revenue sources including local revenue not located within one budget?

MS. EBERT:
When all revenue sources including the Hold Harmless Provision are brought together within the PCFP, additional revenue is needed to fully implement the PCFP and to meet Hold Harmless Provisions.

SENATOR DENIS:
The Pupil-Centered Funding Plan is not dependent on local revenue. I have heard people state that the amount of revenue available will affect how the PCFP works, but this is incorrect. It depends on how funding is allocated through the new funding formula. This is a very complex and complicated issue, but the PCFP makes how the State funds education more understandable. The Department has done well in explaining how the PCFP will work. Moving forward, the Stabilization Account should be kept full as it contributes to education funding. Money allocated to education through the Stabilization Account will be dedicated to saving up for education costs in the future. Over a period of 10 years, up to $1 billion can be saved without having to generate additional revenue. Does the PCFP make it easier for the Department to fund education?

MS. EBERT:
Yes. The work the Funding Commission did in identifying weighted formulas made everything more transparent. It is easier to use funding formulas in the PCFP than it was in the Nevada Plan.

SENATOR DENIS:
The expert recommendations of the Funding Commission will help the State in funding education.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
There are restorations and program reductions within the PCFP making it difficult for me to determine actual allocated funding amounts. From an accounting perspective, is there an advantage to doing restorations before reductions?

MS. HAARTZ:
While building budgets, agencies identify which reductions approved during the Thirty-second Special Session should be added back in during the 2021-2023 biennium. The Governor and the Department then identify any additional reductions to balance the Executive Budget. The changes to reductions, restorations and enhancements are reflective of the budgetary process and economic indicators.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Does the Legislature approve the funding deposited in and withdrawn from the Executive Budget, or are we approving final funding amounts?

MS. HAARTZ:
At this time, the final amounts of available revenue and expenditures within the Executive Budget are being recommended for the Legislature's approval.

ASSEMBLYWOMAN CARLTON:
This is a complicated and evolutionary process, and I appreciate the work of the Department during the Covid-19 pandemic. Can the Department provide more information regarding the supplemental funding process?

MS. HAARTZ:
Through the Nevada Plan, the Department researches investments made to each school district through B/A 101-2610. If local revenue is not generated at the anticipated amount, the General Fund is used to cover this portion of guaranteed revenue. During the first fiscal year of a given biennium, funds are borrowed from the second fiscal year to address funding needs. During the second year of a biennium, coinciding with a legislative session, the Department will request a supplemental appropriation from the Legislature to balance payments from B/A 101-2610, and honor the State's guarantee of local revenue. The amount currently anticipated to be in the Department's supplemental appropriation request is approximately $330 million. This amount can change as tax revenue is generated during FY 2020-2021.

ASSEMBLYWOMAN CARLTON:
Is the supplemental appropriation request higher this year due to local revenue not being generated during the Covid-19 pandemic? The State is often the payer of last resort regarding supplemental appropriations for education.

MS. HAARTZ:
The majority of the supplemental appropriation request is to cover State guarantees pertaining to local revenue.

ASSEMBLYWOMAN CARLTON:
I was not on the Funding Commission. Is the Department's supplemental appropriation request handled the same way under the phased-in approach of the PCFP? How will school districts determine the amount of supplemental funding they will receive to cover a loss of local revenue?

MS. HAARTZ:
As currently described in S.B. No. 543 of the 80th Session, the PCFP does not guarantee any local revenue. The full implementation of the PCFP will include State and local resources. In the event revenue is earned at less than 97 percent of the legislatively-approved budget, the intent is that there would be sufficient funds within the Stabilization Account to cover shortfalls. Once the Stabilization Account is adequately funded, requests for supplemental appropriations would be funded through it rather than through General Fund appropriations. Regarding the phased-in implementation of the PCFP as recommended by the Governor, there is no guarantee of local revenue because this revenue is still remaining at the county level.

CHAIR BROOKS:
The Pupil-Centered Funding Plan is one of the most significant things this Legislature will work on during the Eighty-first Legislation Session.

These Subcommittees will now hear an overview of additional budget accounts within the Department.

MS. EBERT:
The Department's employees were part of developing the education values shown on slide 2 of the Nevada Department of Education Presentation (Exhibit D).

The Department's plan for the improvement of equity and pupil goals is described on slide 3 of Exhibit D.

In order to support its budget, the Department is organized into three components, described on slide 4 of Exhibit D. The Department's Student Achievement Division is led by Deputy Superintendent Jonathan P. Moore, Ed.D. The Department's Division of Educator Effectiveness and Family

Engagement is led by Deputy Superintendent Felicia Gonzales. The Department's Business and Support Services is led by Deputy Superintendent Heidi Haartz. The Department's Chief Strategy Officer, Jessica Todtman, acts as a liaison for schools across the State.

The Pupil-Centered Funding Plan would be easier for the Department to run than the Nevada Plan. Major issues facing the Department are described on slide 5 of Exhibit D. The capacity to proactively respond in real-time to constituent issues during the Covid-19 pandemic has been very important to the Department. Community partners and charter schools have helped in these endeavors.

Budget restorations for programs experiencing budget reductions during the Thirty-first Special Session are described on slides 6 and 7 of Exhibit D. Budget accounts exist outside of B/A 101-2610 to support Pre-K and Adult Education programs in Nevada. The Department's Nevada Commission on Mentoring was recommended to have $25,000 restored per fiscal year. Budget account 101-2704 will receive restorations, and funding for external evaluations will also be restored.

NDE - Bullying Prevention Account — Budget Page K-12 EDUCATION-160 (Volume I)
Budget Account 101-2704

The Department's budgets underwent a 12 percent reduction, which was not easy. As reported during the Thirty-second Special Session, the Department worked with all 17 school districts and the Charter School Authority to identify the reductions described on slide 8 of Exhibit D.

Enhancement decision units requested for the Department's budgets during the 2021-2023 biennium are shown on slides 9 and 10 of Exhibit D. During the Covid-19 economic crisis, the Department sought to optimize its human capital, capitalize available grant funding and align staff across different accounting areas. The Department is requesting $2,800 each year for decision unit E-275 in B/A 101-2612.

NDE - Educator Effectiveness — Budget Page K-12 EDUCATION-98 (Volume I)
Budget Account 101-2612

E-275 Elevating Education — Page K-12 EDUCATION-100

Within B/A 101-2709, decision unit E-276 requests the realignment of the Department's Office of Early Learning and Development, education programs director position. Cleanup of other positions is also requested.

NDE - Office of Early Learning and Development — Budget Page K-12 EDUCATION-113 (Volume I)
Budget Account 101-2709

E-276 Elevating Education — Page K-12 EDUCATION-116

Enhancements are also being requested for B/A 101-2721 and B/A 101-2712.

NDE - Safe and Respectful Learning — Budget Page K-12 EDUCATION-118 (Volume I)
Budget Account 101-2721

NDE - Student and School Support — Budget Page K-12 EDUCATION-126 (Volume I)
Budget Account 101-2712

New initiatives regarding the Department's Competency-Based Education Network are described on slide 11 of Exhibit D. Students who have access to resources and online support services are able to excel and move at their own pace during the Covid-19 pandemic. However, students who do not have the necessary supports at home are not on the pace seen in a normal in-person environment. The Department asked the Blue Ribbon Commission for a Globally Prepared Nevada to look at laws and statutes pertaining to distance learning and independent studies to determine how the Department can move forward with its Competency-Based learning objectives. Churchill County School District is excelling in meeting Competency-Based objectives with the work they are doing serving as a model for the rest of Nevada to better serve students. The Department is striving to move away from age-based curriculum, and has worked with the LCB to provide exceling students with the opportunity to move forward into higher grade levels.

New federal grants received by the Department during the 2021-2023 biennium are described on slide 12 of Exhibit D. The Department's Office for a Safe and Respectful Learning Environment has received approximately $25 million in grant funding to improve trauma-specific services for students over the next 5 years. Out of this 5 year, $25 million grant, $1.8 million per year goes towards the Nevada Coalition for Suicide Prevention's Project Aware program. The Department was awarded the Project Aware grant in October 2020, with work focusing on school-based mental-health services. The Department was also awarded a 5 year, $10 million grant through the U.S. Department of Education's School-Based Mental Health Services Grant Program. The Department was successful in implementing the Mental Health Grant due to collaboration with Nevada State College (NSC); the University of Nevada, Reno (UNR); the University of Nevada, Las Vegas (UNLV); the Nevada School Counselor Association; the National Association of Social Workers-Nevada Chapter and the Nevada Association of School Psychologists.

The Department was also awarded a 5 year, $5 million grant by the U.S. Department of Education's Trauma Recovery Demonstration Grant Program for trauma-specific treatment for public, private, and charter school and homeschooled students. The Department's Office of Student and School Supports was awarded $2.6 million through the U.S. Department of Education's Expanding Access to Well-Rounded Courses Demonstration Grants Program. This award expands access to career and technical education, advanced placement and work-based learning courses. The Well-Rounded Courses Grant was in place prior to the Covid-19 pandemic, and its application ensures students have access to work-based learning opportunities regardless of their location. Assembly Bill (A.B.) 38 expands work-based learning by reducing barriers to education in rural areas.

ASSEMBLY BILL 38: Revises provisions relating to career and technical education and work-based learning. (BDR 34-302)

The Department's Office of Assessment, Data and Accountability Management was awarded $1.5 million through the U.S. Department of Education's Statewide Longitudinal Data Systems Grant Program to improve network security and reporting.

Slide 13 of Exhibit D shows a summary of funding provided to the Department through the CARES Act. Approximately 90 percent of ESSER funding was distributed directly to school districts and contains an equitable services component. Schools receiving ESSER funding through Title I of the Elementary and Secondary Education Act must maintain an equitable services component in their operations. Schools must use GEER funding to continue maintenance of Statewide K-12 work programs. Through A.B. No. 3 of the 31st Special Session, the Department was provided $50 million from the CARES Act to support deficits resulting from the loss of in-person instruction during the Covid-19 pandemic.

Slides 14 through 16 of Exhibit D describe additional information regarding ESSER and GEER funding during Phase 2 of the PCFP's implementation. The amount of ESSER II funding available to school districts has quadrupled due to the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). The funds will be allocated the same way as ESSER I funds with 90 percent going directly to school districts. The Department can reserve 10 percent of ESSER II funding to address issues responding to the Covid-19 pandemic with 0.5 percent of these funds also being set aside to cover costs associated with administration of the funds. Legislation has modified GEER II funding to also include nonpublic schools.

Previously, school districts were in charge of using specific supplemental ESSER II appropriations to provide equitable services to nonpublic schools, but this responsibility has shifted to the Department. Both ESSER II and GEER II funding can be used to reimburse school districts for expenses incurred during the beginning of the Covid-19 pandemic through September 30, 2022. School districts may obligate ESSER II funds out through 2023. Once the Department is provided additional ESSER II and GEER II funding requirements, it will take work programs to IFC to ensure funds are transferred to school districts.

ASSEMBLYWOMAN TITUS:
Did CARES Act funding get distributed to school districts on a per pupil basis to ensure equity? Was the funding provided based on the differing needs of school districts?

MS. EBERT:
These funds are required to be allocated based on the number of Title I students within Nevada school districts. However, ESSER and GEER funding may be used for all students within the school district or Charter School Authority. Funds are based on a school's eligibility to receive Title I funding, not on a per pupil basis.

ASSEMBLYWOMAN TITUS:
I would like to have more information regarding how Title I funding is broken down between school districts.

CHAIR BROOKS:
I would also like to know more about how State, federal and local education funding is broken down between schools.

ASSEMBLYWOMAN CARLTON:
The State has previously experienced issues regarding the implementation of Mental Health Grant funding, and ensuring proper services are provided. What school-based mental-health services are going to be provided? Is funding based on family needs in addition to student needs?

MS. EBERT:
The Department is an exemplar for using a multi-tiered system of support regarding the provision of mental-health services, and it is continuously building capacity. The Department has worked collaboratively with school districts to ensure teachers can survey students' access to support services. Once at-risk students are identified, funding exists for psychologists and experts to intervene. The Covid-19 pandemic has increased the need for mental-health services with school districts being at different levels regarding implementation of support.

School districts will be able to use additional funding to increase services. The Department is striving to share the model used by Pershing County School District in providing mental-health services which took five years to develop. Clark County School District and Washoe County School District have also worked to create valuable mental-health support systems. Many parties strive to address the mental-health needs of students, but there is not a central platform where all information and resources are stored. The Department is working with

its colleagues and the Department of Health and Human Services (DHHS) to make mental-health resources clear and accessible for all students. In addition to providing support to students, a portion of Mental Health Grant funding is used to support families as well.

ASSEMBLYWOMAN CARLTON:
I have also heard concerns from my constituents regarding confusion on where to access appropriate mental-health services. A program similar to DHHS's Nevada 211 may be needed for directing students and families to mental-health services. Additionally, a lot of work was done in providing students with laptops for distance learning. Will students keep these laptops or bring them into classrooms when they come back for in-person instruction, and how will the Department budget for laptop maintenance?

MS. EBERT:
The Department is working on how to best maintain laptops when they start breaking down. Google Chromebooks only have a lifespan of three or four years. To sustain its investment in laptops, the Department will have to plan for expenses. The Governor's Office of Science, Innovation and Technology, Nevada Connecting Kids Grants has provided reliable internet access for Nevada students. The Nevada Covid-19 Response, Relief and Recovery Task Force, Elaine Wynn and Jim Murren were also instrumental in supporting the Department's response to educators and students during the Covid-19 pandemic. The Department was not initially positioned to support educators in the beginning.

The Department has offered distance-learning activities for many years such as sending packets and DVDs, but not all educators have had the opportunity to shift their pedagogy to support distance learning. Additionally, the Department has used digital engineers to service the network needs of students and educators across the State and is striving to provide quality-educational content to students through the use of devices. Some students are truly enjoying distance learning while other students need to learn in an in-person environment. Ensuring Covid-19 safety protocol is followed during in-person learning and providing mental-health services for students just coming back into the classroom after being on distance learning will optimize educational

resources. The Department is trying to reduce class sizes based on the resources and revenue available.

ASSEMBLYWOMAN CARLTON:
I want to make sure the Department has resources available to address the educational needs of students who decide to stay in a distance-learning program while addressing the needs of students coming back into the physical classroom.

ASSEMBLYWOMAN MILLER:
The Department is incorporating approximately $29 million in federal funding into its operating budgets as shown on slide 12 of Exhibit D. What percentage of federal funding is being used for staffing resources within school districts?

MS. EBERT:
These numbers are unique to each federal grant, and I can get back to you with this information. The majority of federal funding goes directly to school districts.

CHAIR BROOKS:
Can you please share this information with these Subcommittees' staff as well?

MS. EBERT:
Yes.

ASSEMBLYMAN LEAVITT:
How much GEER funding is allocated to each school district?

MS. HAARTZ:
The GEER funding is being distributed in phases as the Department receives approval from IFC. Previously, GEER funding was distributed to school districts and community-based organizations who provide Pre-K services. This funding was also used to backfill reductions made during the Thirty-first Special Session. Next week, the Department will present a work program to IFC that would allow it to distribute $9 million in GEER funding to school districts across the State. In the next few weeks, the Department will present a third work program to allocate any remaining balance of GEER funding. The Department's Statewide services are designed to help all school districts.

ASSEMBLYMAN LEAVITT:
Will any remaining GEER funding be used for Pre-K services?

MS. HAARTZ:
Beyond the GEER funding initially allocated to backfill General Fund appropriations, the Department does not currently anticipate any additional money going towards Pre-K services. The initial amount of GEER funding allocated for Pre-K services was approximately $4 million.

CHAIR BROOKS:
These Subcommittees will now hear budgets pertaining to the Nevada System of Higher Education (NSHE).

MELODY ROSE, PH.D. (Chancellor, Nevada System of Higher Education):
A summary of today's NSHE presentation is described on slide 2 of The Nevada System of Higher Education Presentation (Exhibit E). The Nevada System of Higher Education strives to be transparent regarding student data and achievement.

The Nevada System of Higher Education has been growing and now includes NSC as shown on slide 4 of Exhibit E. Over 100,000 students are served by NSHE which is governed by a 13-member elected Board of Regents. The Governor is interested in reconsidering NSHE's governing model and studying alternatives to it. The Executive and Legislative Branches will collaborate with NSHE to enact his vision.

Slides 6 through 9 of Exhibit E detail an overview of NSHE. Both UNR and UNLV have reached Tier 1 status under NSHE which elevates their national and international profiles and attracts high-caliber instructors and students. The four community colleges within NSHE are doing the frontline work of the economic turnaround and effectively offer remedial and developmental education to meet the needs of underprepared students. These community colleges also work with NSHE's four-year universities to provide transfer and articulation of course credit. The Desert Research Institute (DRI) is also internationally recognized, driving forward science-focused solutions and contributing to economic development in Nevada. Over $35 million in

sponsored-research grants and contracts is annually pulled into DRI with this number continuing to climb.

Student enrollment data for NSHE is depicted on slide 11 of Exhibit E. There was a slight dip in enrollment during the fall of 2020 due to Covid-19, but these numbers are expected to grow soon.

The distribution of students during the fall of 2020 is outlined on slide 12 of Exhibit E.

As shown on slide 13 of Exhibit E, many students are enrolled on a part-time basis.

Nationwide, there are more women attending college than men. The male and female enrollment distribution of NSHE students is described on slide 14 of Exhibit E with NSHE noticing a misrepresentation of ethnic and racial groups among men attending college. The NSHE is particularly concerned African-American men are being underrepresented in its institutions.

Age distribution of students is important to NSHE as described on slide 15 of Exhibit E. Older students often attend a community college as they recurrently juggle competing demands on their time including taking care of children and elders, and working.

I was attracted to be NSHE's Chancellor because it has become a higher education system of more minority than majority students. Slide 16 of Exhibit E illustrates that for the first time more nonwhite than white students were enrolled at NSHE campuses in 2014. The number of first-generation college students is also increasing. Nevada has a great opportunity to focus on the richness of its population, and the nationwide college-going population will soon follow suit.

The graduation rates of NSHE's universities are detailed on slide 17 of Exhibit E. I am confident that under the leadership of UNLV President Keith Whitfield UNLV's graduation rates will continue to climb.

The graduation rates of NSC are shown on slide 18 of Exhibit E. The Nevada State College's graduation rates do not compare to a national average, but its retention, persistence and completion rates are improving.

The graduation rates of NSHE's community colleges are depicted on slide 19 of Exhibit E. Increasing graduation rates are a result of NSHE focusing on its advising programs and this Legislature's vital investments in higher education.

Educational appropriations per full-time equivalent (FTE) students within NSHE are depicted on slides 20 and 21 of Exhibit E. Nevada's numbers are slightly above the national average. The total cost of attendance passed along to Nevada's students is lower than the national average which will help NSHE close its achievement gap. Affordability and access to higher education resources is a strong focus of NSHE.

The 5 strategic goals of NSHE established ambitiously with its campuses and communities and adopted by the Board of Regents in 2017 are described on slide 23 of Exhibit E. The Nevada System of Higher Education strives to increase problem-based research across its institutions.

The presidents of NSHE's universities and I met to establish the key performance indicators and system-wide initiatives essential for transparency and accountability to stakeholders shown on slide 24 of Exhibit E. These metrics will be brought before the Board of Regents for adoption in the spring of 2021. Strategic partnerships with the allies in its business, cultural and education communities have been established by NSHE. Partnership with Department Superintendent Jhone Ebert will move dual enrollment forward for students in NSHE.

The work the NSHE is committed to doing around diversity, equity and inclusion across its campuses is discussed on slide 25 of Exhibit E. I will be meeting with NSHE's chief diversity officers (CDO) next week to discuss closing the achievement gap and advancing curriculum for the State's underrepresented students.

The accountability report for performance and budgeting metrics of NSHE is described on slide 26 of Exhibit E.

ANDREW CLINGER (Chief Financial Officer, Nevada System of Higher Education): State-supported operating budgets and self-supporting State budgets within NSHE are discussed on slide 28 of Exhibit E. Higher education institutions are required to meet certain metrics in order to earn back funding from the 20 percent performance pool carveout.

An overview of NSHE's total sources of revenue is shown on slide 29 of Exhibit E. Fiscal year 2020 financial statements were used as these are complete for that year. State appropriations are the largest source of NSHE revenue representing approximately 34 percent. Tuition and fees collected from students represent 24 percent of NSHE revenue. Grants and contracts represent approximately 22 percent of NSHE revenue. Revenue generated through sales and services includes room-and-board payments, parking fees, food sales on campuses, clinical revenue from medical and dental practices, event sales and conference sales.

State and non-State NSHE revenue is further described on slide 30 of Exhibit E. State-supported operating budgets in NSHE are approximately 65-percent funded by State appropriations and 35-percent funded by tuition and fees. Non-State funds are collected for a specific purpose and are internal to NSHE, not going into its State-supported operating budgets.

The total operating expenses of NSHE's State-supported and self-supported budgets are illustrated on slides 31 and 32 of Exhibit E. Two-thirds of NSHE's spending is used to cover the salaries and benefits of its employees. Almost 82 percent of NSHE's State-supported operating budget is used to cover its employees' salaries and benefits.

The total change in State funding for NSHE is illustrated on slide 34 of Exhibit E. The original FY 2020-2021 amounts represent State funds originally approved during the Eightieth Legislative Session. The revised FY 2020-2021 amounts represent budget reductions approved in August 2020.

Slide 35 of Exhibit E provides a breakdown of NSHE's formula-funded budgets for its seven institutions.

Slide 36 of Exhibit E shows the funding change experienced by NSHE's professional institutions. This includes UNLV's School of Medicine, UNR's School of Medicine, the William S. Boyd School of Law and UNLV's School of Dental Medicine.

The change in State funding in non-formula accounts for UNLV, UNR and other NSHE institutions are discussed on slides 37 through 39 of Exhibit E. Budget account 101-2991 is NSHE's largest nonformula account with B/A 101-3016 and B/A 101-2986 also undergoing funding changes.

NSHE

NSHE - System Computing Center — Budget Page NSHE-26 (Volume I)
Budget Account 101-2991

NSHE - Silver State Opportunity Grant Program — Budget Page NSHE-133 (Volume I)
Budget Account 101-3016

NSHE - System Administration — Budget Page NSHE-17 (Volume I)
Budget Account 101-2986

Caseload growth adjustments for NSHE's formula-funded accounts are described on slide 40 of Exhibit E. The formula for these accounts looks at FY 2019-2020 weighted-student-credit hours (WSCH) and compares them to the WSCH for FY 2017-2018. The difference between the WSCH amounts is then combined with the legislatively-approved WSCH rate for FY 2020-2021. Approximately $24 million per year is included in the Executive Budget to cover caseload growth.

Maintenance decision units within NSHE's formula-funded accounts are described on slide 41 of Exhibit E. The University of Nevada, Reno and UNLV receive State funding for operations and maintenance of recognized research space through M-200 in B/A 101-2980 and B/A 101-2987.

NSHE – University of Nevada Reno — Budget Page NSHE-32 (Volume I)
Budget Account 101-2980

M-200 Demographics/Caseload Changes — Page NSHE-33

NSHE – University of Nevada Las Vegas — Budget Page NSHE-66 (Volume I)
Budget Account 101-2987

M-200 Demographics/Caseload Changes — Page NSHE-67

Great Basin College (GBC) and Western Nevada College (WNC) are the two small institutions within NSHE and receive State funding for small-institution factors through M-201 in B/A 101-2994 and B/A 101-3012.

NSHE - Great Basin College — Budget Page NSHE-98 (Volume I)
Budget Account 101-2994

M-201 Demographics/Caseload Changes — Page NSHE-99

NSHE - Western Nevada College — Budget Page NSHE-104 (Volume I)
Budget Account 101-3012

M-201 Demographics/Caseload Changes — Page NSHE-105

The amounts for M-201 are negative, as the base amount for M-201 is adjusted down as WSCHs grow. Even though the adjustment is negative, there is still a base factor within GBC's and WNC's budgets to fund the small-institution factor. Formula redistribution requests reorganize NSHE's General Fund appropriations based on the formula funding for WSCH among its seven teaching institutions. Through M-220, there is a reduction in State funding for UNR, as its proportional share of WSCH in FY 2019-2020 dropped compared to FY 2017-2018.

M-220 Demographics/Caseload Changes — Page NSHE-34

Slide 42 of Exhibit E outlines M-207 and M-216 for B/A 101-3010. The totals shown represent negative adjustments over the 2021-2023 biennium. A new funding formula for DRI was proposed, but this was not developed in time due to the Covid-19 pandemic. The NSHE would like to bring this proposal forward again in the future.

NSHE - Desert Research Institute — Budget Page NSHE-93 (Volume I)
Budget Account 101-3010

M-207 Demographics/Caseload Changes — Page NSHE-94
M-216 Demographics/Caseload Changes — Page NSHE-95

Basic registration and tuition fees among NSHE institutions during the 2021-2023 biennium are described on slide 43 of Exhibit E. The Board of Regents adopted a predictable pricing model that is tied to the Common fund Higher Education Price Index (HEPI). The fees shown for FY 2021-2022 and FY 2022-2023 represent a 2.8-percent increase over FY 2020-2021, and are tied to the HEPI from 2018. As part of NSHE's Predictable Pricing Program during the 2021-2023 biennium, NSHE also publishes within its code the registration fees for FY 2023-2024.

Additional registration and nonresident tuition fees are shown on slide 44 of Exhibit E. The total amount of fees for FY 2021-2022 is flat, as the 2.8-percent increase in fees is due to a decline in student enrollment. There was a decline in enrollment during the fall of 2020 of approximately 3.2 percent. The funds shown on this slide represent approximately 35 percent of NSHE's State-supported operating budget. The amount of registration fees going into NSHE's non State accounts is approximately $118 million.

Budget reductions included in the Executive Budget for NSHE's State-supported operating accounts are described on slide 45 of Exhibit E. The Governor issuing his *Covid-19 Declaration of Emergency Directive 008* resulted in NSHE implementing a hiring freeze when. This hiring freeze will be brought forward into the 2021-2023 biennium if reductions in the Executive Budget are approved. A reduction in revenue was also experienced in NSHE's self-supporting non-State accounts.

There is $10.9 million being requested for B/A 101-3019. This was the same funding level approved during the Eightieth Legislative Session.

NSHE - Capacity Building Enhancement — Budget Page NSHE-137 (Volume I)
Budget Account 101-3019

Capacity enhancement funding for NSC to expand its Teacher Academy Pipeline Project is described on slide 46 of Exhibit E. Nevada State College collaborates with WNC and the College of Southern Nevada (CSN) to expand the Teacher Academy and NSC's 3 + 1 Program.

Capacity enhancement funding for CSN's Workforce and Economic Development program is shown on slide 47 of Exhibit E. This funding represents the amount approved during the Eightieth Legislative Session.

Capacity enhancement funding for GBC is described on slide 48 of Exhibit E.

Capacity enhancement funding for Truckee Meadows Community College is discussed on slide 49 of Exhibit E.

Capacity enhancement funding for WNC's Jump Start College and WNC's Nursing and Allied Health (NALH) Division are described on slide 50 of Exhibit E.

Capacity enhancement funding for DRI is discussed on slide 51 of Exhibit E.

While not in NSHE's budgets, the programs listed on slide 52 of Exhibit E greatly contribute to higher education. The Executive Budget includes $44 million for the State Treasurer's Governor Guinn Millennium Scholarship Program in B/A 261-1088.

ELECTED OFFICIALS

Treasurer - Millennium Scholarship Administration — Budget Page ELECTED-220 (Volume I)
Budget Account 261-1088

An annual amount of $4.4 million was received for the NSHE's needs-based Silver State Opportunity Grant Program in B/A 101-3016. The Executive Budget also includes $7.3 million for NSHE's Nevada Promise Scholarship program.

As shown on slide 53 of Exhibit E, NSHE is scheduled to receive $112,009,146 in funding from the CRRSAA. Similar to CARES Act funding, a portion of CRRSAA funding goes towards student aid.

Other major issues included in the Executive Budget regarding NSHE's budgets are shown on slide 54 of Exhibit E. A one-shot appropriation of $25 million is being requested for UNLV's School of Medicine to improve health care in Nevada. The Executive Budget also includes a transfer of the Western Interstate Commission for Higher Education from the Governor's Office back to NSHE.

FY 2021 One-Shot: This request provides funding for the construction of a medical school at the University of Nevada - Las Vegas. (BUDGET OVERVIEW-21)

The Board of Regents formed the NSHE Task Force on Performance Pay Administration and Support with recommendations shown on slide 55 of Exhibit E. There are issues with NSHE faculty and staff compensation due to the Covid-19 pandemic. There may not be a cost-of-living adjustment (COLA) approved. In the past, COLAs were directly appropriated to NSHE. The Nevada System of Higher Education's Task Force is recommending language be added to the Appropriations Act passed by the Legislature during the Eighty-first Legislative Session. It is also recommending a change to NSHE's code of conduct, establishing a performance-pay pool out of NSHE's State-supported operating budgets. This is not required to be approved by the Legislature, as NSHE is increasing its merit pay internally.

Capital improvement programs (CIP) for NSHE are described on slides 56 through 58 of Exhibit E. The Board of Regents' top priority involves construction plans for UNLV's Howard R. Hughes College of Engineering building. Project No. 21-C05 was originally approved during the Eightieth Legislative Session and was to have a phased-in implementation. The funds for the project had to revert due to budget reductions during the Covid-19 pandemic. The Executive Budget includes $36,844,345 in State appropriations to fund the entire project which no longer needs a phased-in approach.

Project No. 21-C05 — Engineering Academic and Research Building (UNLV)

The Board of Regents' second priority regarding CIP projects deals with the renovation of GBC's welding laboratory, shown on slide 57 of Exhibit E. Project No. 21-C12 has been planned since 2009. Approximately 95 percent of welders graduating from GBC find jobs making this project especially helpful regarding workforce-development activities.

Project No. 21-C12 — Welding Lab Addition and Renovation (Great Basin College)

Project No. 21-C13 is described on slide 58 of Exhibit E. This request will modernize WNC's facilities and support the workforce development of its NALH programs.

Project No. 21-C13 — Renovation of Marlette Lecture Hall (Western Nevada College)

CHAIR BROOKS:
I am happy to see these CIP projects included in the Executive Budget, as they greatly impact Nevada's workforce-development activities.

ASSEMBLYWOMAN TITUS:
I am a proud graduate of UNR and am glad the Legislature can help NSHE accomplish its goals. I am concerned regarding the 12-percent reduction for NSHE's professional schools as shown on slide 36 of Exhibit E. An issue exists regarding accessing health care resources in Nevada, and there is also a shortage of professional health care providers. I want to make sure class sizes are not also reduced in NSHE's schools.

MS. ROSE:
It is not NSHE's intent to reduce class sizes, but it does intend to hold students harmless when implementing required budget reductions.

ASSEMBLYWOMAN TITUS:
Goals of NSHE previously included increasing its class sizes to get more dentists and doctors out into the public, and I do not want these activities to dwindle due to budget reductions.

BRIAN SANDOVAL (President, University of Nevada, Reno):
There are no plans to reduce enrollment in the School of Medicine or UNR's Orvis School of Nursing.

ASSEMBLYWOMAN TITUS:
Will plans for increasing class size in these schools be put on hold, or will they continue?

MR. SANDOVAL:
Plans for increasing the size of certain NSHE classrooms will continue.

KEITH WHITFIELD (President, University of Nevada, Las Vegas):
We also plan to grow class sizes at UNLV but not having additional funding for more faculty does hamper our efforts. More funding would enable UNLV to hire additional staff and better train physicians, but we will do our best with the funding available.

ASSEMBLYWOMAN TITUS:
I graduated from the School of Medicine in 1981, and there were not many professional physicians working for UNR at that time. We depended on community partnerships. Is increasing its community-outreach activities and partnerships to better mentor and monitor its students a goal of NSHE's?

MR. SANDOVAL:
Yes, UNR is establishing robust-community partnerships. We plan to introduce legislation later this Session to increase NSHE's affiliation with Renown Health and allow for more clinical and teaching opportunities and student recruitment.

MR. WHITFIELD:
We have similar plans at UNLV and want to continue connecting with local providers such as the University Medical Center of Southern Nevada. Partnerships are also being developed with subspecialty-medical providers with the goal of increasing fellowships and retaining medical providers in Nevada.

ASSEMBLYWOMAN TITUS:
I appreciate the work NSHE is doing in strengthening its communities.

ASSEMBLYWOMAN TOLLES:
There is an increase in costs associated with hiring freezes and budget reductions causing institutions to heavily rely on letters of appointment and adjunct faculty. Similar to K-12 education, higher-education enrollment goals may be impacted by CSR requirements. How was CARES Act funding used regarding the 12-percent reduction in B/A 101-3016? Will CARES Act funding be used to mitigate budget reductions? I am concerned about the ability of first-generation students to attend college.

MR. CLINGER:
Unfortunately, the $30 million in CARES Act and CRRSAA funding cannot be used to supplant State-supported scholarship programs.

ASSEMBLYWOMAN TOLLES:
What will be the impact of the 12-percent reduction on prospective students?

MR. CLINGER:
I can supply this information to you at a later date.

ASSEMBLYWOMAN TOLLES:
The Desert Research Institute works on issues pertaining to climate, air quality, vaping and DRI's Healthy Nevada Project. Its funding structure is different than other institutions providing many resources for its students. How was DRI's funding impacted during the Covid-19 pandemic, and will its budgets be impacted differently than those of other NSHE institutions?

MR. CLINGER:
No CARES Act or CRRSAA funding go to DRI to offset an impact resulting from the Covid-19 pandemic or State reductions. We are still working through the funding formulas and reductions included in the Executive Budget. In addition to the 12-percent reductions, maintenance decision units are also experiencing reductions. This issue was also faced during the Eightieth Legislative Session, and NSHE's funding formulas need to be updated.

KUMUD ACHARYA (President, Desert Research Institute):
The Desert Research Institute has faced budget reductions during the Covid-19 pandemic and is facing additional budget cuts next year. Fortunately,

DRI scientists are working hard to generate additional federal funding from grants and contracts on top of what is received from the State. Faculty has been able to diligently work from home, and the revenue generated from the Institute of Cancer Research grants has not been impacted as much as expected. For every dollar the DRI receives from the State, it receives an additional $4.82 from sponsored grants and contracts. This allows DRI to continue its research despite budget reductions. It has also left certain positions vacant to ensure existing faculty can be paid. We are looking forward to the Covid-19 pandemic ending, but I do not expect too much impact on the DRI's work and the support it provides to students and faculty.

SENATOR KIECKHEFER:
Can CRRSAA funding be used to offset the 15-percent tuition carveout at each NSHE institution used to support students?

MR. CLINGER:
A portion of funding that NSHE uses for student access comes from State funding. I will have to get back to you whether CRRSAA funding can supplant costs associated with student fees.

SENATOR KIECKHEFER:
Can each NSHE institution choose how they will use CRRSAA funding?

MR. CLINGER:
Just like CARES Act funding, CRRSAA funds go directly to institutions. An application is needed for an institution to receive CARES Act funding. I am not sure if this also applies to CRRSAA funding.

SENATOR KIECKHEFER:
Is the application for the Carnegie Classification of Institutions of Higher Education, Research 1 (R1) University status completed on a rolling three-year basis? Will NSHE be due for R1 recertification soon, and is it confident the R1 designation will be retained for its universities? Will the budget reductions in FY 2020-2021, as well as those included in the Executive Budget, impact NSHE's ability to retain its R1 designation?

MS. ROSE:
This designation is offered on a cyclical basis for research institutions. Institutions within NSHE are focused on keeping the R1 designation and advancing their research agendas. It can be challenging for universities to hire and retain distinguished and highly-productive research faculty, especially during a pandemic. Every R1 institution in the Nation is also dealing with this challenge.

MR. WHITFIELD:
Multiple metrics go into receiving an R1 designation. There are portions of the R1 application where graduate-student enrollment information is entered, and UNLV is doing well inputting information into the other categories. Research funding is being brought in, but it has been difficult to manage research-related expenditures, conduct labs and run observational studies. These activities have been challenging for all NSHE universities due to the Covid-19 pandemic. However, UNLV is conducting more research than previous years and hopes to keep its R1 designation. The University of Nevada, Las Vegas' R1 application was recently completed with data from December 2020.

MR. SANDOVAL:
Maintaining the R1 designation is a top priority for UNR, and it will reapply for this designation in 2022. We are on track to meet R1 metrics but are concerned with having enough resources to attract new faculty. Enough funding is being expended on research, and UNR is funding an aggressive internal initiative aimed at attracting graduate students. This is an important component of maintaining R1 designation.

CHAIR BROOKS:
Congratulations to UNLV for its research on the room-temperature superconductor vital to efficiently managing Nevada's energy needs.

ASSEMBLYWOMAN BENITEZ-THOMPSON:
Regarding NSHE's approved student-registration fees, the Board of Regents discussed using the HEPI to guide any increases in student fees during the Eightieth Legislative Session. Why are student fees being approved at close to 3-percent growth when it was guaranteed at the 2-percent growth rate

contained in the HEPI? Will merit-and performance-based pay increases still be offered with NSHE's existing resources?

MS. ROSE:
Predictable pricing is well understood to attract underrepresented and first-generation college students and is key for persistent graduate rates. Before my colleagues and I arrived at NSHE, the Board of Regents approved a predictable-pricing model to track HEPI and tuition fees. Like most institutions, NSHE also utilizes a variety of transparent fees across its campuses which are directly tied to university expenditures, such as lab fees. It is important for NSHE to make tuition and other fees predictable and transparent for students, but this can be difficult. Our instructional campuses all have price calculators available to prospective and continuing students allowing prices to be more transparent. Maintaining transparency and pricing is critical to NSHE's strategic goals of closing achievement gaps and ensuring student success, and I want to have more conversations around these issues.

MR. CLINGER:
It was discovered by NSHE's Task Force that most states do not rely on specific line-item appropriations designated for performance-based pay. Other states take the total amount of resources offered through their state-supported operating budget and other funding sources to develop 1-percent merit pools internally. A specific carveout for merit pay does not exist. Language within NSHE's Task Force recommendations state that during a pandemic, institutions can request waivers regarding merit pool provisions from the Board of Regents. I anticipate waivers will be requested during the 2021-2023 biennium.

ASSEMBLYWOMAN CARLTON:
I am grateful for the hard work of NSHE's leadership during these difficult times.

CHAIR BROOKS:
The economic vitality of Nevada is dependent on NSHE's institutions.

These Subcommittees will now hear an overview of the Nevada Department of Veterans Services (NDVS) Office of the Military's operating budgets.

ONDRA BERRY, MAJOR GENERAL (Adjutant General, Office of the Military):
The Nevada National Guard is the component of the U.S. National Guard in Nevada. Its roles involve deploying personnel overseas to fight and win the Nation's wars, protecting the U.S. homeland through domestic operations aimed at combating floods, wildfires and pandemics and forming partnerships. The Guard has strategic partnerships with the Kingdom of Tonga and the Republic of Fiji. Globally there are over 92,000 National Guard members of which 20 percent are on homeland or overseas missions. The 422nd Signal Battalion is part of the Nevada Army National Guard deployed overseas. There are over 200 Guard members in Washington, D.C. helping with President Joe Biden's Inauguration.

Additionally, there are over 400 Guard forces combating the Covid-19 pandemic by administering vaccines, distributing food, contact tracing, distributing personal protective equipment (PPE), managing logistics, working with the Southern Nevada State Veterans Home, supporting labs and food banks, making arrests and conducting over 700,000 Covid-19 tests. The Guard has been involved with the contact tracing of over 2 million individuals. While the last 12 months have been unprecedented, the Guard will continue to expand its missions, both on U.S. soil and abroad. The National Guard's motto is "Always there, always ready".

The Guard's mission statement is shown on slide 3 of Office of the Military Presentation (Exhibit F). During 2020, the Guard's personnel totaled 4,478, with an additional 177 civilians in its workforce. The Army National Guard is the most visible military entity in Nevada with armories, facilities and 11 primary bases in 6 counties. The Nevada Air National Guard is composed of the 152nd Airlift Wing, the 152nd Intelligence Squadron and 232nd Operations Squadron. The 232nd Operations Squadron will soon be called the 232nd Combat Training Squadron. The Guard remains ready and prepared to expand as needed and to meet future military needs and its homeland mission. We have met all requirements asked of us.

Slide 4 of Exhibit F shows the locations of Guard personnel and assignments across Nevada. Currently, the Guard's 366th 5th Explosive Ordinance Disposal Company, the 238th Aviation Troop Command, the 189th Aviation Troop Command, the 757th Combat Sustainment Support Battalion and the

641st Aviation Regiment are deployed around the world. Missions of these regiments will help overseas' operations, and troops have been returning successful.

The 152nd Airlift Wing is prepping for deployment after recently completing a successful effectiveness inspection. The Air Guard Counterdrug Program, the National Guard Youth Challenge Program and various family programs drive the Guards operations. The Guard aligns its roles strategically which keeps the Guard's leadership updated on events. The Guard is aligned with the strategic priorities of the U.S. Department of Defense's (DOD) National Defense Strategy and the DOD's National Guard Bureau. The Guard manages the development of its leaders training them to eventually take on higher assignments and maintains a strong culture starting during the recruitment process. The Guard's Sexual Assault Prevention and Response program, the Guard's Office of Equal Opportunity, its chaplains, its judge advocate generals, its inspector generals and the Guard's resiliency efforts all ensure equity, inclusion and overall success.

The Guard's strategic priorities are the principles that hold the organization together as shown on slide 5 of Exhibit F. The majority of the Guard's funding comes from the federal government, and we have to stay ready to protect the Nation when the U.S. President calls for war, or the Governor calls for peace. If the Guard cannot meet readiness needs, it cannot be effective. The Guard is always ready to protect the homeland and can quickly assemble its troops. 25,000 Guard troops were in Washington, D.C. for the Presidential Inauguration in 10-days' time. Active duty U.S. Military does not have the ability to rapidly respond to domestic issues, but the Guard can pull from full-time and part-time forces to quickly assemble.

From a strategic standpoint, the Guard asks a lot from its members and their families. Three-quarters of the Guard's troops are part-time, drill-status troops or regular weekend drilling soldiers, having other roles and employment within their communities. One-quarter of the Guard's forces keep it operating on a day-to-day basis and taking care of its members is a top priority. Many public safety officers are under pressure to meet demands, resulting in high suicide, divorce and alcohol rates in over-worked officers without the necessary health

resources and support. The Guard is dedicated to ensuring its members can access health services.

The Guard recently hired Alvin Bolton as its CDO to ensure troops are treated with dignity and respect, with the correct policies and procedures in place to address any issues. The Guard works hard to establish a strong sense of community with the Challenge Program improving the life skills of Nevada's youth through its STARBASE Academy. It is crucial for the Guard to strategically establish community partnerships throughout the State, as its members come from all over Nevada.

The Guard ensures its leaders are properly developed. They have invested many resources in 2020 to establish competencies and compete with other organizations to foster success. The Guard is smaller than other states' National Guard forces, but it can compete regarding the development of its forces. The Guard has taken a nonnegotiable stance on maintaining the safety, integrity and unity of its troops. The Guard also has the best recruitment numbers in the Nation and is ready to complete its assigned missions.

CHERYL TYLER (Administrative Services Officer, Office of the Military):
Slide 6 of Exhibit F describes the National Guard's federal contributions to the Air Guard.

Slide 7 of Exhibit F describes the National Guard's federal contributions to the Army Guard.

Slide 8 of Exhibit F details the NDVS, Office of the Military's operations.

Slide 9 of Exhibit F describes all of the Master Cooperative Agreement Appendices the Office holds with the Guard Bureau.

LAUREN SCHULMAN (Administrator, National Guard Youth Challenge Program, Office of the Military):
The Challenge Program is described on slide 10 of Exhibit F and serves Nevada's 16-to 18-year-olds. During its 22-week Residential Phase program, the Challenge Program uses an 8-core component curriculum to address the holistic needs of the individual. The Challenge Program has a 12-month post residential

phase where each graduate returns to their community to continue working with their mentor and program staff. The Challenge Program offers free tuition and is 177 days away from training leaders in Carlin, Nevada. The Challenge Program is focused on recruiting and hiring staff, renovating its campus and recruiting potential candidates.

The Challenge Program employs six FTE staff. An additional two staff members are projected to start on January 25, 2021, with three offers of employment pending. The Challenge Program posts job openings on a monthly basis. The Challenge Program's Lead Admissions Specialist, Emily McClure, is networking with stakeholders throughout Nevada to recruit students. Both cadet and mentor applications are located on the Challenge Program's website, and it is working closely with partners at Elko County School District in contacting appropriate high school personnel throughout the State.

MS. TYLER:
Budget account 101-3650 is described on slide 11 of Exhibit F.

SPECIAL PURPOSE AGENCIES

MILITARY

Military — Budget Page MILITARY-6 (Volume III)
Budget Account 101-3650

Slide 12 of Exhibit F describes E-275 within B/A 101-3650 and requests $595,000 from Distributive School Account B/A 101-2610.

E-275 Elevating Education — Page MILITARY-8

Slide 13 of Exhibit F describes E-350 within B/A 101-3650, which requests a psychological-health manager position to guide Office leadership on psychological-health issues, psychological-health initiatives and population-health monitoring of military personnel and their families. The psychological-health manager would serve as a community liaison with military and nonmilitary agencies to promote timely information exchange, coordinate collaborative prevention efforts and establish and maintain a range of resources,

associations and community partnerships. This position is essential in maintaining the mental health and safety of military personnel, families and communities. The psychological-health manager will also have an impact on suicide prevention and the mental health of soldiers and airmen.

E-350 Promoting Healthy, Vibrant Communities — Page MILITARY-6

Slides 14 and 15 of Exhibit F describe one-shot appropriations within B/A 101-3650.

FY 2021 One-Shot: This request funds facilities maintenance projects at various Nevada Army National Guard facilities. (BUDGET OVERVIEW-23)
FY 2021 One-Shot: This request funds the replacement of computer hardware and software equipment. (BUDGET OVERVIEW-23)
FY 2021 One-Shot: This request funds replacement equipment and shop tools. (BUDGET OVERVIEW-23)

Slide 16 of Exhibit F provides information on B/A 101-3653.

Military National Guard Benefits — Budget Page MILITARY-17 (Volume III)
Budget Account 101-3653

Slide 17 of Exhibit F details information regarding B/A 101-3654.

Military Patriot Relief Fund — Budget Page MILITARY-18 (Volume III)
Budget Account 101-3654

The Office's Patriot Relief Fund will enable its agencies to deliver financial relief to the Guard's troops and their families when circumstances arise. The Patriot Relief Fund also reimburses for U.S. Department of Veterans Affairs (VA), Servicemen's Group Life Insurance premiums.

During FY 2021-2022 and FY 2022-2023, the Department of Public Safety's Division of Emergency Management-Homeland Security (DEM) is proposed to move under the Office. Budget Account 101-3673 will be presented by the DEM on January 25, 2021.

DPS - Division of Emergency Management — Budget Page MILITARY-19 (Volume III)
Budget Account 101-3673

Slide 19 of Exhibit F lists the Department of Administration, State Public Works Division's (SPWD) CIP projects approved for the Office during the Eightieth Legislative Session, providing updates on completion.

Slides 21 and 22 of Exhibit F list the Office's 22 CIP projects being requested during the 2021-2023 biennium.

CHAIR BROOKS:
Through testing, food distribution and support logistics, the Guard has played an irreplaceable role in supporting Nevada during the Covid-19 pandemic. How will the proposed reorganization of the DEM to the Office of the Military affect the State's operation of the DEM if the Guard is called into service by the President? Are issues created regarding emergency management and response if the President wants to use Guard forces differently than states are accustomed to?

MAJOR GENERAL BERRY:
The President has no authority over state or the DEM employees. If the Guard is called to action, nothing would change regarding the DEM's daily responsibilities, as the DEM's employees are under the Governor's direction.

ASSEMBLYMAN FRIERSON:
The earlier presentation talks about National Guard policies to address cultural diversity, promotions and equity. Does the Guard have these policies in writing? I would like to share the Guard's diversity policies with other State agencies to encourage these agencies to adopt similar policies.

MAJOR GENERAL BERRY:
Regarding equity and inclusion, the Air Guard and Army Guard follow national policies. The Guard's equal employment opportunity policy is also shared on its website. The Guard hired a chief diversity officer to engrain equity and inclusion into its culture and align these principles with its overall missions. The Guard is happy to share its equity and inclusion policies. The Guard's CDO can also present these policies to State agencies. From a human-capital standpoint,

people who take care of missions need to be taken care of themselves. The Guard has to maintain best practices and have resources in place when supporting its soldiers and bring these resources into the future. The Guard has been helping citizens on the frontline and their communities become vaccinated since April 2020.

ASSEMBLYWOMAN TITUS:
What is the Guard's reenlistment rate?

MAJOR GENERAL BERRY:
The numbers are different between the Air Guard and the Army Guard. Currently, the Guard's reenlistment rates are above those from previous years. I will provide more accurate data for you shortly.

ASSEMBLYMAN LEAVITT:
The Guard has helped many people become vaccinated against Covid-19. How many Guard troops have tested positive for Covid-19?

MAJOR GENERAL BERRY:
I can provide this information to you in private, as I do not want to violate the Health Insurance Portability and Accountability Act. A number of Guard troops have tested positive, but fortunately they have all recovered. The Guard closely tracks the number of positive Covid-19 cases, as many Guard troops become exposed to Covid-19 when administering vaccines and tests.

ASSEMBLYWOMAN MILLER:
When will states be reimbursed for the National Guard forces they sent to Washington, D.C. for the Presidential Inauguration? Will waiting for reimbursements have a financial impact on the Guard's budgets?

MAJOR GENERAL BERRY:
The Guard is usually reimbursed in 45-to-90 days' time, and waiting for reimbursement will not impact the Guard's billing or funding sources. The Guard has sent troops to Washington, D.C. for past inaugurations with State budgets not being impacted. The Guard has been approved to receive DOD, 32 U.S. Code 502(f) funding to administer Covid-19 tests, food delivery and contact tracing. This funding is approved through September 30, 2021.

CHAIR BROOKS:
How will the Guard's CIP projects help it prepare and assemble for missions?

CLAYTON CHAPPELL, COLONEL (Commander, 17th Sustainment Brigade, Office of the Military):
Due to the Guard's rising recruitment numbers, it has outgrown existing facilities. The Army Guard is expanding its facilities at Reno-Stead Airport through CIP projects C03 and C08 helping the Army Guard to better train and equip its soldiers.

Project No. 21-C03 — Washoe County Training Center Addition (Nevada Army National Guard)
Project No. 21-C08 — Purchase of Navy Operational Support Center

MAJOR GENERAL BERRY:
Annually, the Guard Bureau looks at all states' staffing ratios and the number of forces currently on a mission. When a National Guard organization does not meet its mission threshold, the Guard Bureau will allow other National Guard organizations from across the Country to compete for the mission. Because the Guard's recruiting and retention numbers are so good, it is in a top echelon to compete with other National Guard organizations in taking on more missions. The Guard's strategic plan is to grow in alignment with the DOD's total forces and take on future Bureau missions. The Guard needs to expand its facilities and infrastructure to continue training, equipping and developing its forces. It does not want to continue sending its forces to other states to train. I will send the Guard's strategic plan and biannual report to these Subcommittees.

CHAIR BROOKS:
These Subcommittees will now hear an overview of NDVS operating budgets.

KATHERINE MILLER (Director, Department of Veterans Services):
Slide 3 of the Department of Veterans Services Presentation (Exhibit G) describes the vision and mission of NDVS.

Slide 4 of Exhibit G outlines the various NDVS programs. The NDVS Veterans Service Officers program was created in 1943. The NDVS Veterans Memorial Cemeteries Program was established in 1990. The NDVS Nevada State

Veterans Home Program and a skilled-nursing facility for veterans in southern Nevada were constructed in 2001. A second skilled-nursing facility for veterans was constructed in northern Nevada in 2019. Over the past decade, the NDVS has expanded operations to better reintegrate veterans and their families into Nevada's communities. The NDVS Veteran Justice Reintegration Program is NDVS' newest program. The NDVS collaborates with the Nevada Department of Corrections and Nevada Judicial Branch Veterans Treatment Courts throughout Nevada.

Slide 5 of Exhibit G describes NDVS revenue sources with NDVS' primary revenue source being the funds received from the Veterans Home Program.

Slide 6 of Exhibit G describes the NDVS' ten strategic goals. The NDVS' oldest strategic goal is reintegrating current-era veterans into Nevada's communities. The NDVS' newest strategic goal is responding to the Covid-19 pandemic.

Major issues facing NDVS during the 2021-2023 biennium are described on slide 7 of Exhibit G. The NDVS is experiencing a decrease in federal per diem revenue associated with hospital admissions during the Covid-19 pandemic. To be fully funded, B/A 101-2561 relies on a census of approximately 160 to 165 residents in the Southern Nevada State Veterans Home (SNSVH). The SNSVH currently has 131 residents.

VETERANS' SERVICES

NDVS - Southern Nevada Veterans Home Account — Budget Page VETERANS-13 (Volume III)
Budget Account 101-2561

The SNSVH building was built in 2001, and its design is not current with health care-design ideas or technological advances.

The NDVS consists of B/A 101-2560, B/A 101-2561 and B/A 101-2569, as described on slide 8 of Exhibit G.

NDVS - Office of Veterans Services — Budget Page VETERANS-7 (Volume III)
Budget Account 101-2560

NDVS - Northern Nevada Veterans Home Account — Budget Page VETERANS-19 (Volume III)
Budget Account 101-2569

Budget Account 101-2560 funds NDVS staff, service officers and cemetery and outreach programs.

Details regarding B/A 101-2560 are provided on slide 9 of Exhibit G.

Decision unit E-710 within B/A 101-2560 is described on slide 10 of Exhibit G. The equipment listed is in disrepair according to EITS and NDVS staff.

E-710 Equipment Replacement — Page VETERANS-9

Decision unit E-711 in B/A 101-2560 requests the replacement of phone systems at NDVS offices and cemeteries as described on slide 11 of Exhibit G. The phone system at the NDVS Reno office is 12 years old requiring a daily reboot over the past year. This can be problematic for people working from home. Due to repeated crashes, the public often cannot reach NDVS cemetery staff.

E-711 Equipment Replacement — Page VETERANS-9

Decision unit E-712 within B/A 101-2560 is described on slide 12 of Exhibit G.

E-712 Equipment Replacement — Page VETERANS-10

The 13-year old, 6-passenger club car used by NDVS cemeteries to transport families to gravesites is past its 10-year lifespan. The seats on the club car are torn, its roof is bent, the front-end drags on the ground, and it can no longer fit a windshield. The 2, 4-seat club cars are 7 years past their 10-year lifespan, have broken front-suspension systems and need new engines. The sod cutter is 17 years old and needs constant repairs. The aerator is 21 years old and no longer extracts dirt plugs for aeration.

Decision unit E-800 within B/A 101-2560 is described on slide 13 of Exhibit G.

E-800 Cost Allocation — Page VETERANS-10

Budget account 101-2560 already receives an allocation from B/A 101-2561, and E-800 requests a new transfer of funding from B/A 101-2569.

Slide 14 of Exhibit G describes B/A 101-2561.

Decision unit E-710 within B/A 101-2561 is described on slide 15 of Exhibit G with NDVS computers being recommended for replacement by EITS. Network hardware of NDVS is starting to fail, using outdated technology. The NDVS video-conferencing system does not support the viewing of multiple locations simultaneously, and usually cuts out half-way through a meeting.

E-710 Equipment Replacement — Page VETERANS-15

Decision unit E-730 within B/A 101-2561 is described on slide 16 of Exhibit G.

E-730 Maintenance of Buildings and Grounds — Page VETERANS-15

Decision unit E-731 in B/A 101-2561 is detailed on slide 17 of Exhibit G, and requests the replacement of 2 coolers at the SNSVH.

E-731 Maintenance of Buildings and Grounds — Page VETERANS-16

The NDVS unsuccessfully presented the request in E-731 during the Eightieth Legislative Session indicating concerns the coolers would fail. A cooler did fail, and the NDVS now rents a cooler for over $15,000 per month. The coolers contain R-22 Refrigerant which is no longer manufactured making replacement difficult and expensive. The NDVS is requesting to fund E-731 with SNSVH reserve funding during the January 27, 2021, IFC meeting, because if it waits for CIP project approval during the Eighty-first Legislative Session, NDVS will incur additional rental costs of $684,000 before installation.

Decision unit E-800 within B/A 101-2561 is described on slide 18 of Exhibit G, slightly increasing the SNSVH allocation to cover increases in rental and operating costs.

E-800 Cost Allocation — Page VETERANS-16

Budget account 101-2569 is detailed on slide 19 of Exhibit G.

Decision unit E-800 in B/A 101-2569 is described on slide 20 of Exhibit G providing consistency by reducing the need to transfer General Fund appropriations into B/A-101-2560.

E-800 Cost Allocation — Page VETERANS-21

Capital Improvement Program projects for NVDS during FY 2020-2021 are described on slide 21 of Exhibit G.

Project No. 21-M26 is described on slides 22 and 23 of Exhibit G.

Project No. 21-M26 — Pavilion Renovation (Northern Nevada Veterans Memorial Cemetery)

Most NDVS internment services are held at the Northern Nevada Veterans Memorial Cemetery pavilion. After 20 years of inclement weather, the pavilion's appearance does not serve well as a place to honorably lay veterans to rest. This is NDVS' third CIP request for this project. While Project No. 19-M27 was approved during the 2019-2021 biennium, the appropriated funds were swept during the Thirty-second Special Session.

Project No. 21-M40 is shown on slide 24 of Exhibit G and requests the replacement of the SNSVH temperature-control system.

Project No. 21-M40 — Temperature Controls Replacement (Southern Nevada State Veterans Home)

Through Project No. 15-M26, NDVS replaced the temperature control system regulating water temperature for six SNSVH boilers. Through Project No. 17-M51, NDVS replaced the controls regulating its air handlers, fan speed and temperature. Project No. 21-M40 upgrades and adds the hardware and software necessary to monitor water and air systems. This is critical as failure to maintain water temperatures between 140 and 165 degrees

Fahrenheit can result in the growth of deadly bacteria such as legionella. Maintaining proper air temperature is essential for the safety of SNSVH residents with frail-immune systems.

Major components of the SNSVH temperature control system are shown on slide 25 of Exhibit G, including hardware, software, controllers, sensors and hot water solenoids.

Project No. 21-C11 is described on slide 26 of Exhibit G.

Project No. 21-C11 — Cemetery Expansion Supplemental Funding (Southern Nevada Veterans Memorial Cemetery)

Project No. 19-C03 was approved during the Eightieth Legislative Session, but since then cremations have greatly exceeded NDVS projections. This project is reimbursable by the VA with the exceptions of costs associated with program management being approximately 6 percent of the costs incurred through B/A 101-2561. This project is also seventieth on the VA's priority list, and the NDVS will know by October 1, 2021, if it will receive a funding letter and grant opportunity. The VA deems Project No. 21-C11 as legitimate and expects it to move higher on its priority list. The VA's projects are ranked by order of need and available funding.

The picture on slide 27 of Exhibit G shows how the Southern Nevada Veterans Memorial Cemetery (SNVMC) will be expanded. The green area is existing, and the gray area shows the columbarium walls and in-ground cremation areas to be expanded.

Project No. 21-P03 is described on slides 28 and 29 of Exhibit G and will remodel the SNSVH to industry standards.

Project No. 21-P03—Advance Planning: Remodel & Addition (Southern Nevada State Veterans Home)

This remodel will provide a more secure and home-like environment for SNSVH residents and improve work environments for dedicated staff. Since 2017, all states applying for VA, Office of Construction and Facilities

Management, State Home Grant Program funding must follow the VA's small-house model design guide requiring single-occupancy bedrooms and bathrooms. Project No. 21-P03 would provide design and construction documents for the renovation of the SNSVH. While a remodel built under previous guidelines is not yet required by the VA, it is not possible to follow procedural and operational guidelines with the current design. The conversion to single-person rooms will dramatically improve infection-control procedures and protections. Studies have shown that nursing homes with double rooms are 3.7 times more likely to contract Type-A Influenza which is similar to Covid-19 in its method of transmission.

The NDVS has applied for a VA Construction Grant and expects to be on the VA's next published-priority list. The NDVS anticipates being a lower priority for the VA until a future legislative session allows for the pursuit of a State one-third match rate. The NDVS is not currently pursuing State-matching funds. The goal of NDVS is for residents at the SNSVH to receive the same amenities and quality of life as residents at the Northern Nevada State Veterans Home (NNSVH).

ASSEMBLYWOMAN TITUS:
During the Covid-19 pandemic, is SNSVH only placing one person into its double-occupancy rooms?

MS. MILLER:
When the Covid-19 pandemic started, the SNSVH was near capacity with the NNSVH having 77-out-of-96 beds full. The NNSVH was on track to reach full capacity. There was no way to make a safe discharge during the Covid-19 pandemic resulting in SNSVH being forced to have more than one occupant in certain rooms. The NDVS is following specific guidance from the Centers for Disease Control and Prevention (CDC), the Southern Nevada Health District (SNHD) and the VA. The guidelines state that if the SNSVH has an outbreak of two or more people with Covid-19, it will not be allowed to take further admissions. There are very specific guidelines regarding how the NDVS must assist people with active infections. The SNSVH has taken very few admissions during the Covid-19 pandemic and has 130-out-of-180 beds occupied. With a 180-bed facility, SNSVH would be required to have no more than 90 beds occupied, if it wants 1 person in each room.

ASSEMBLYWOMAN TITUS:
Were there any Covid-19 outbreaks in NDVS facilities?

MS. MILLER:
Yes. Visiting <https://nvhealthresponse.nv.org> will enable you to see the outbreaks within all Nevada health facilities. Since the beginning of the Covid-19 outbreak, NDVS has experienced 213 positive cases within SNSVH and NNSVH; 93 residents and 120 staff members. The Covid-19 virus does not manifest itself within the facilities, instead coming from the outside community. A rise of community infections corresponds with a rise of infections in staff members.

The NDVS receives support to test all of its staff before they come to work, but rapid Covid-19 tests have a 20-percent inaccuracy rate. It can take up to eight days to receive the gold-standard, polymerase chain reaction (PCR) test results from hospitals. Asymptomatic staff often report to work, but the NDVS utilizes PPE donated from the community to curb the spread of the Covid-19 virus. It can be hard for a certified nursing assistant to keep a mask on when lifting an immobile and heavy person. Until everyone is vaccinated, it will be impossible to completely prevent the spread of Covid-19.

ASSEMBLYWOMAN TITUS:
The Department of Health and Human Services, Division of Public and Behavioral Health, Nevada State Immunization Program is working with long-term care facilities and skilled nursing facilities. Has the NDVS been able to vaccinate some of its staff?

MS. MILLER:
The first vaccination at the SNSVH took place on December 30, 2020, and the first vaccination at the NNSVH took place on January 9, 2021. Due to all of the nursing homes in Nevada, this was the earliest the NDVS could receive the vaccinations. Regarding the SNSVH, 91.5 percent of residents have had either their first, or both, Covid-19 vaccination shots. Approximately 92.3 percent of NNSVH staff have been vaccinated. Some NDVS staff have been granted a U.S. Department of Justice, Civil Rights Division, Americans with Disabilities Act accommodation stating that they do not have to be vaccinated. The NDVS plans to issue these staff members a personal respiration system to

protect residents. The SNSVH has three residents who do not want to receive a Covid-19 vaccination. The NDVS is still waiting to receive these numbers from the NNSVH.

Every morning since March 2020, NDVS leaders and administrators meet to track the number of PPE issued, tests conducted and vaccinations by name of every resident, staff member, contractor and visitor of NDVS facilities. Nevada needs more vaccines to become available. Currently, Walgreens Company and the Consumer Value Store visit the SNSVH and NNSVH to administer vaccines. The NDVS hopes to eventually have internal nursing staff administer vaccines to medical home workers without third-party involvement.

ASSEMBLYWOMAN TITUS:
Are the SNSVH and NNSVH still closed to visitors?

MS. MILLER:
We offer outdoor visitation. We could not buy patio heaters as these are in high demand by restaurants for outdoor dining, but the community donated some heaters to us. The NDVS also utilizes plexi-glass booths for resident family members to stand behind. If a resident is receiving hospice care, their family members are allowed in for a compassionate care visit. Communities have also donated Apple iPads and tablets, and extra staff have been brought on to help residents communicate with their families through virtual means.

The NDVS is awaiting guidance from the CDC and SNHD to figure out its next steps regarding visitation. Currently, the SNSVH has 13 residents who are positive for Covid-19 (6 staff members and 7 residents). These individuals are either asymptomatic or have mild symptoms. The NNSVH has one staff member who tested positive for Covid-19, and they are asymptomatic. The NNSVH can allow for visitors, but I want everyone to be vaccinated before this happens. The next round of vaccinations begins on January 30, 2020, and a significant amount of NNSVH staff should then be vaccinated. Visitors will then be allowed in the facility.

ASSEMBLYWOMAN TITUS:
I hope that all nursing facilities emulate what NDVS is doing.

MS. MILLER:
The NDVS cemetery staff is working very hard, as it is difficult for families to hold funeral ceremonies with current restrictions.

ASSEMBLYWOMAN CARLTON:
I appreciate NDVS updates regarding barriers and the safe accommodations it offers to residents and staff. Will the columbaria be expanded towards the Boulder City Municipal Airport?

FRED WAGAR (Deputy Director, Department of Veterans Services):
The columbaria are going to be developed towards the southwest, west of the maintenance building.

ASSEMBLYWOMAN CARLTON:
Will the rear entrance be moved? How will visitors access this area?

MR. WAGER:
Visitors will be able to enter through the rear exit, circle around the cemetery, and exit back out through the front or back.

ASSEMBLYWOMAN CARLTON:
Was E-731 requested during the Eightieth Legislative Session? I do not remember seeing or discussing it.

MS. MILLER:
I believe E-731 was discussed with other NDVS CIP projects during the Eightieth Legislative Session and during conversations with the GFO and the SPWD. I cannot remember due to all the discussions surrounding the NDVS' CIP projects.

CHAIR BROOKS:
These Subcommittees will now hear public comment. Vegas Verdes Elementary School is located in my district, District 3. This is also where I went to school and where Senator Joyce Woodhouse was a teacher.

KELLY GRONDAHL (Principal, Vegas Verdes Elementary School)
My testimony regarding educational budgets and financing is described in my testimony for Vegas Verdes Elementary School (Exhibit H).

MR. DALY:
I will be reading from testimony submitted by the Nevada State Education Association's President Brian Rippet (Exhibit I).

MARIA NIETO-ORETA (Nevada Immigrant Coalition):
I will be reading from testimony submitted by Sylvia R. Lazos with the Nevada Immigrant Coalition (Exhibit J). The Nevada Immigrant Coalition wishes to delay the implementation of S.B. No. 543 of the 80th Session.

KENT ERVIN (Nevada Faculty Alliance):
I am reading from my Nevada Faculty Alliance testimony (Exhibit K).

Remainder of page intentionally left blank; signature page to follow.

CHAIR BROOKS:
Seeing no further public comment, this meeting is adjourned at 2:56 p.m.

RESPECTFULLY SUBMITTED:

_____
Tom Weber,
Committee Secretary

APPROVED BY:

_____
Senator Chris Brooks, Chair

DATE: _____

_____
Assemblywoman Maggie Carlton, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	**Exhibit Letter**	**Begins on Page**	**Witness / Entity**	**Description**
	A	1		Agenda
	B	1	Chris Daly / Nevada State Education Association	Chris Daly Testimony
	C	2	Jhone Ebert / Nevada Department of Education	K-12 Education Presentation
	C	5	Heidi Haartz / Nevada Department of Education	K-12 Education Presentation
	D	2	Jhone Ebert / Nevada Department of Education	Nevada Department of Education Presentation
	E	2	Melody Rose / Nevada System of Higher Education	Nevada System of Higher Education Presentation
	E	28	Andrew Clinger / Nevada System of Higher Education	Nevada System of Higher Education Presentation
	F	3	Ondra Berry / Office of the Military	Office of the Military Presentation
	F	6	Cheryl Tyler / Office of the Military	Office of the Military Presentation
	F	10	Lauren Schulman / Office of the Military	Office of the Military Presentation
	G	3	Katherine Miller / Department of Veterans Services	Department of Veterans Services Presentation

	H	1	Kelly Grondahl / Vegas Verdes Elementary School	Kelly Grondahl Testimony
	I	1	Chris Daly / Nevada State Education Association	Brian Rippet Testimony
	J	1	Maria Nieto-Oreta / Nevada Immigrant Coalition	Sylvia R. Lazos Testimony
	K	1	Kent Ervin / Nevada Faculty Alliance	Kent Ervin Testimony