



NEVADA LEGISLATURE SUNSET SUBCOMMITTEE OF THE LEGISLATIVE COMMISSION

(Nevada Revised Statutes [NRS] 232B.210)

MINUTES

April 23, 2024

The fourth meeting of the Sunset Subcommittee of the Legislative Commission for the 2023–2024 Interim was held on Tuesday, April 23, 2024, at 9 a.m. in Room 3138, Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401, Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada.

The agenda, minutes, meeting materials, and audio or video recording of the meeting are available on the Subcommittee's meeting page. The audio or video recording may also be found at <https://www.leg.state.nv.us/Video/>. Copies of the audio or video record can be obtained through the Publications Office of the Legislative Counsel Bureau (LCB) (publications@lcb.state.nv.us or 775/684-6835).

SUBCOMMITTEE MEMBERS PRESENT IN CARSON CITY:

Senator Skip Daly, Chair
Assemblyman Philip PK O'Neill

SUBCOMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Senator Roberta Lange
Assemblywoman Shea Backus
Assemblywoman Elaine Marzola, Vice Chair

SUBCOMMITTEE MEMBER ABSENT:

Senator Ira Hansen

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Patrick Guinan, Chief Principal Policy Analyst, Research Division
Alberto Quintero, Senior Policy Analyst, Research Division
Maria Velazquez, Research Policy Assistant, Research Division
Sarah Delap, Senior Deputy Legislative Counsel, Legal Division
Jessica Dummer, Senior Principal Deputy Legislative Counsel, Legal Division

Items taken out of sequence during the meeting have been placed in agenda order.
[Indicate a summary of comments.]

AGENDA ITEM I—CALL TO ORDER

[Chair Daly called the meeting to order. He welcomed members, presenters, and the public to the fourth meeting of the Sunset Subcommittee to the Legislative Commission for the 2023–2024 Interim. The Subcommittee Secretary took roll. Roll call is reflected in Subcommittee Members Present.]

AGENDA ITEM II—PUBLIC COMMENT

[Chair Daly reviewed meeting and testimony guidelines.]

Chair Daly:

We will start with anybody wishing to testify in public comment in Carson City. Please proceed.

Madeline Burak, Legislative Director, Office of the Governor:

Good morning, Chair Daly, and Members of the Subcommittee. I am here on behalf of the Governor to reiterate the importance and necessity of the State Public Charter School Authority (SPCSA) in Nevada's kindergarten through grade 12 (K-12) landscape, and to share the Governor's strong support of Graduate Medical Education (GME), and the work Director Mitchell is doing to move forward on the provisions set out in Senate Bill 350. I will begin with agenda item III A on the Advisory Council on GME. The first priority listed in the Governor's strategic plan under health and wellness is to invest in and expand GME. The Governor is deeply committed to doing all we can as a State to ensure we are addressing health care workforce shortages and directing resources to ensure success. The Governor was proud to sign SB 350 last session, and why our administration has remained committed to working with Director Mitchell and Senator Pazina to expand on this work. This bill is intended to bridge the gap that exists between the needs of Nevadans in rural and urban areas and create a permanent pipeline of residents who can receive their training and build careers and families in Nevada. The Director is working diligently to find solutions to hire a full-time staff member to manage the work of the Council. We are working with Senator Pazina who is in regular communication with stakeholders from across the State to determine who is best suited to serve on this Council. While there have been delays in standing up this Council as prescribed in SB 350; sunseting this vitally important Council would further delay Nevada's ability to create a sustainable healthcare workforce pipeline, and ultimately, Nevadans would suffer. Director Mitchell is here to answer any questions you may have, but I would like to reiterate that Governor Lombardo and this administration remain strongly committed to investing and expanding funding for GME. We implore the Subcommittee to rescind any possible consideration of a sunset on this important Council. In addition to doing all we can to support and grow the healthcare workforce in Nevada, it has also been a priority of Governor Lombardo's—since his first day in office—to improve Nevada's education system, both in traditional public schools and charter schools, as well as affording parents, families, and students with educational choice.

I am also here to reiterate the importance and necessity of the SPCSA listed under agenda item III D. Governor Lombardo's commitment to Nevada's public education system was particularly evident this past legislative session with Governor Lombardo's historic investment in an additional \$2.7 billion in Nevada's public education system. Charter schools provide parents and students with an alternative to traditional public schools, allow

for innovation, flexibility in learning, and provide tailored learning environments to address specific educational needs while also encouraging active parent engagement. It is clear many Nevada families support the benefits of charter schools, as the SPCSA serves over 62,000 students at 88 charter school campuses. The SPCSA is a fully functioning Executive Branch State agency with a fully constituted board. According to NRS, the SPCSA serves three purposes; to authorize charter schools of high-quality throughout the State; to provide oversight to charter schools it sponsors to serve as a model of best practices; and foster a climate in the State in which all higher quality charter schools can flourish. Executive Director Melissa Mackedon has been involved in K-12 education as a teacher and administrator since 1998. Hailing from Fallon, Nevada, she joined the Board in 2012, and has served as Board Chair for the past four years. Director Mackedon was the founder and Chief Executive Officer (CEO) of Oasis Academy Public Charter School, a top performing K-12 public school with more than 750 students and 100 team members. In her role as Executive Director, she oversees a team of 30 full-time equivalents with offices in Carson City and Las Vegas. The SPCSA is overseen by a nine-member Board whose members are appointed by the Governor, Senate Majority Leader, Speaker of the Assembly, State Board of Education, and Charter School Association of Nevada. The SPCSA Board approves or denies new charter school applications, and oversees the academic, organizational, and financial health of charter schools and SPCSA sponsors. The SPCSA is a fully functioning Executive Branch State agency and is a cornerstone of Governor Lombardo's education priorities as well as ensuring over 62,000 Nevada students are equipped with the skills they need to pursue higher education or enter the workforce and lead successful lives. Thank you for your time.

Chair Daly:

Is there any additional public comment in Carson City? Seeing none. Let us move to the Grant Sawyer Building in Las Vegas. Anybody wishing to give in-person public comment in Southern Nevada? Please state your name for the record, and proceed when you are ready.

Jimmy Schwarz, Ironworkers Local 433:

I would like to make a comment about agenda item III D. Members of several building trades, and I have been looking into charter school projects in town and believe the individuals building these schools are not being paid prevailing wage. I believe certain laws and codes might be taken advantage of allowing this to happen. I am asking for your support to investigate the schools and ensure prevailing wage is being paid to the men and women working on these schools and apprenticeships are being upheld. Thank you.

Leslie Patu, Heat and Frost Insulators Local 135:

I am here to speak on agenda item III D; the SPCSA. We are asking for more transparency regarding constructions sites. When we ask for information we get the run-around from the Board, school, and general contractor. As of 2019, Assembly Bill 136 was enacted to help alleviate some of this and take the exemption out of a charter school paying prevailing wage jobs. We ask for the law to be followed and more transparency when it comes to it. Thank you.

Jesus Loya, Roofers and Waterproofers Local 162:

I am also here to comment on agenda item III D. The charter school's current restrictions on allowing compliance checks for union rates are concerning. These limitations prevent us from ensuring fair compensation and adherence to union standards, which are fundamental to safeguarding the rights and wages of staff members. We strongly advocate these schools

to enable full compliance activities, promote fairness, and uphold labor agreements. Thank you.

Deanne Mattera, International Brotherhood of Electrical Workers Local 357:

I am here in support of everything my brothers from the other building trades locals have said. We are looking for transparency and adherence with existing law. Thank you.

Chair Daly:

Thank you. Any additional public comment in Clark County?

Vice Chair Marzola:

I do not believe so, Chair.

Chair Daly:

Thank you, seeing none. Broadcasting, is anybody on the phone lines?

Broadcast and Production Service (BPS):

Thank you, Chair. If you would like to make public comment for today's meeting, please press *9 now or raise your hand in the zoom client to take your place in the queue.

Jimmy Lau, Vice President, Ferrari Reeder Public Affairs, representing the Nevada Association of Career Colleges (NACC):

The NACC is a trade organization representing private postsecondary education schools in Nevada, and we greatly appreciate the Commission on Postsecondary Education (CPE), and Administrator Wuest's work to improve and modernize the regulatory environment for licensed institutions, including their forthcoming deployment of an electronic licensing platform. The NACC supports the Commission's recommendation to eliminate the duplicative background check requirements in NRS 394.465 by providing an exemption for persons who have already completed the background checks as part of their occupational licensing. We have submitted a letter in support of this recommendation to the Subcommittee, though I do not see it reflected on NELIS at this time. This statutory change will eliminate administrative burden on licensed institutions and allow the CPE to concentrate its staff time on other important areas that improve the experience of our members without putting students at risk. We encourage the Subcommittee to support the recommendation and look forward to working collaboratively with the CPE and the Legislature to identify other areas of efficiency. Thank you for your time and consideration.

Chair Daly:

Thank you. Broadcasting, just keep them rolling.

Robert Diaz, Sheet Metal Workers Local 88, Las Vegas:

I want to ditto the comments made by my brothers and sisters in the Southern Nevada Building Trades in regard to Item III D, for the prevailing wage of charter schools. As mentioned before, full transparency is needed so we can see who the awarding bodies are on some of these projects that we have ongoing in the City of Las Vegas as well as cross the State of Nevada, that way we can implement some of the prevailing wages to those who are building on those projects. Thank you.

Aron Ibarra, Southern Nevada Building Trades:

Echoing my Building Trades brothers and sisters. We want to support charter schools but want to make sure charter schools are following the law and paying prevailing wages when building a new school—we want to make sure there is more transparency. If the State is going to continue to support it, we want to make sure they are following what State law requires, and that includes transparency to ensure they are paying prevailing wages. Thank you for your time.

Donald Heath, Southern Nevada Building Trades:

I am calling on behalf of Southern Nevada Building Trades. I support my Union brothers and sisters and their comments and concerns. Thank you.

Donna Laffey, Ferrari Reader Public Affairs:

I am here representing Dignity Health, St. Rose Dominican which operates seven acute care hospitals in the Las Vegas Valley. Saint Rose offers GME residency programs in internal medicine and recognizes the importance of continuing to expand GME in the State. Saint Rose is in strong support of the creation of the Advisory Council on GME through SB 350 (2023) and remains supportive of the continuation of the Council today. We ask the Subcommittee to support the continuation of the Advisory Council given its vital role in helping to ensure that Nevada's severe physician shortage is addressed in a strategic way. Thank you.

Ignacion Prado, Executive Director, Futuro Academy Charter School, and Member, Charter School Association of Nevada (CSAN):

I wanted to make public comment on Item III D regarding the SPCSA. It is a fully functioning body of the State, our main regulator, and most importantly our local education agency. It serves as a conduit for federal and State grant compliance as well as several important key laws like the Individuals with Disabilities Education Act, and various others. I do not understand or believe the Sunset Subcommittee is the proper venue to address the concerns that have been raised. I do not think I am alone in saying that in many corners in our community—the charter school, administrators, teachers, parents—were shocked to see this item on the agenda, and do not understand why it is being brought forth in this manner. I strongly encourage you to maintain the functions of the SPCSA, as they are vital. Any scaling down or sunseting would be catastrophic. Though I am empathetic to the need for transparency and the compliance of the law I do not believe this is the proper venue, and I hope that you continue to work with the SPCSA as it continues. Thank you.

Brigid Fronapfel, Ph.D., Behavior Analysis, Board Certified Behavioral Analyst, Licensed Behavior Analyst, M.S., Behavior Analysis and Marriage and Family Therapy; Director of Student Life, Pinecrest Academy of Northern Nevada:

I am here to provide public comment and consideration for Item III D relating to the Sunset Subcommittee's review of the SPCSA. Public charter schools and those they serve deserve the accountability afforded by the SPCSA in ensuring that public charter schools are not operating without the appropriate oversight. Such assurances are ensured by many other areas in the State, and the education of the State's future should not be an exception. In the State of Nevada public charter schools serve approximately 60,000 students and their families, and afforded protection should be ensured to each and every one of them. The SPCSA ensures quality public charter schools. For example, Pinecrest Academy of Northern Nevada (PANN), a public charter school in Spanish Springs, is currently rated as a

four-star school at the elementary level, and a five-star school at the middle school level with high levels of math and reading proficiency in comparison to our local public schools. These ratings and achievements are the result of meeting the requirements and criteria established by the SPCSA, and subsequently benefit the students and families at PANN as well as the community located in them. Public charter schools such as PANN, bring value to the neighborhoods they serve in Nevada. Neighborhoods that are in many, if not all, of this Subcommittee's districts. I urge this Subcommittee to consider the efficacy and benefit of the public charter schools and the SPCA in Nevada, and the benefit to the students and families they serve as well as the students and families that this community serves and not sunset the SPCA.

John Shoup, Assistant Principal, PANN:

I would like to echo the sentiments spoken by Dr. Fronapfel. I have been an administrator in Washington and Nevada for 28 years and have been highly impressed with the SPCSA's comprehensive accountability measures to keep us financially adhering to rules and laws as well as regular State laws. We are a school that benefits our neighborhood. I wanted to mention the behavior team Dr. Fronapfel was a part of with our financial accountability that we need to have, but the nimbleness of a smaller school under the SPCSA allows us to bring in staff to help support the kids in need from various ethnic groups. Without going into further detail, I want to echo the sentiments Dr. Fronapfel said in support of the SPCSA. Thank you.

BPS:

If you have recently joined us and would like to offer public comment for today's meeting, please press *9 now or raise your hand in the Zoom client to take your place in the queue.

Gil Lopez, Executive Director, Charter School Association of Nevada (CSAN):

We are here to provide support for the SPCSA, and how it effectively fulfills its intended role in providing diligent oversight, actively monitoring schools, and decisively addressing issues when they arise. The expansion of public charter schools and the growth we have seen are dependent upon their approval, and the responsibility they manage with utmost seriousness. This Board is doing the intended function of providing high-quality education to the State. Therefore, we support it. For the Union brothers and sisters, we would like you to know we can have a conversation on possibly getting facility funding next session; I will be contacting you so we can start talking about that. Thank you, and I appreciate your time.

Patrick Kelly, Nevada Hospital Association:

I would like to talk about the severe physician shortage in the State. Studies indicate that doctors who attend medical school in Nevada, and who receive their residency and fellowship training in Nevada are more likely to practice in Nevada. That is why increasing GME opportunities in the State is so important. We request that you not sunset the Advisory Council on GME. The State needs a reasoned and thoughtful approach to the development of GME programs, so critical health care needs can be met. Thank you.

BPS:

If you have recently joined us and would like to offer public comment for today's meeting, please press *9 now or raise your hand in the Zoom client to take your place in the queue.

There are no more callers wishing to offer public comment at this time.

Chair Daly:

With that, we will close Item II. We will have a second public comment at the end of the meeting. I would like to mention that most of the entities we review under the Sunset Subcommittee we are reviewing, and do not often sunset. Let us move to the next agenda item.

AGENDA ITEM III—PUBLIC HEARING CONCERNING TERMINATION, MODIFICATION, CONSOLIDATION, OR CONTINUED OPERATION OF CERTAIN ENTITIES PURSUANT TO NEVADA REVISED STATUTES 232B.240

A. ADVISORY COUNCIL ON GRADUATE MEDICAL EDUCATION (SENATE BILL 350, 2023)

Chair Daly:

We have Brian Mitchell, Director of the Office Science, Innovation, and Technology (OSIT) to give us insight on this Council, where we are and where we are headed. Please proceed.

Brian Mitchell, Director, OSIT, Office of the Governor:

My comments will be brief. Earlier today you heard from Ms. Burak regarding the Governor's strong support for GME, and I echo my and my Office's strong support for GME. ([Agenda Item III A-1](#)) ([Agenda Item III A-2](#))

Since 2015, my Office has managed the GME program for the State. We have awarded over 30 grants and have facilitated the creation of over 130 residency and fellowship training slots over that time. Those residency and training slots continue to produce new residents and fellows that practice in Nevada. I would like to be clear that neither OSIT nor the Governor's Office asked for this agenda item to be heard by the Sunset Subcommittee. My Office and I do not support the sunseting of the Committee. Graduate medical education is something I have been doing for the last ten years, so this is a matter of a personal interest—a project I am interested in personally. I want nothing more than to see it succeed. We did not ask for this agenda item to be placed before this Subcommittee, and do not support the sunseting of the GME Council. I am happy to answer any questions.

Chair Daly:

Thank you, and for the record before we go to questions, we are always happy to hear from the Governor or any Boards, but this is a Legislative Subcommittee, and we decide which items are going to be on the agenda. Subcommittee, any questions? Assemblywoman Backus.

Assemblywoman Backus:

To reiterate, sometimes when we request your presence, it may be to provide assistance. I have seen bills where the Sunset Subcommittee makes recommendations, but one of these items—I think it was discussed at our first hearing—was brought in because of the GME Task Force that was created by Executive Order by Governor Sandoval. We had the GME Task Force—and I believe that is what the Director was referencing to—where the money had been granted. Then, Senator Pazina moved for SB 350 (2023) to create the Advisory Council. It appears—and I am not sure if it is still on the books, or if the Task Force has already resolved itself—now we are moving forward with the Advisory Council. My question for Director Mitchell is, what is the status of the Task Force?

Mr. Mitchell:

The Task Force you referenced was created in 2015 by Executive Order from Governor Sandoval. That Executive Order expired in 2017, so the Task Force has not existed since then.

Assemblywoman Backus:

Senate Bill 350 was enacted and went into effect June 13, 2023. I understand the Governor has eight appointments to that Advisory Council, but when looking at the information submitted, it says membership is not fully appointed. Has the Governor appointed anyone to this Advisory Council yet? If so, who are those people?

Mr. Mitchell:

I am aware the Governor has appointed some members of the Council, but I do not believe every member of the Council has been appointed. We would be happy to provide a list of those who have been appointed to your staff following the meeting.

Assemblywoman Backus:

Since this Advisory Council went into effect last summer, has it had the opportunity to meet to discuss grant opportunities, so we can begin increasing residency programs?

Mr. Mitchell:

The Council has not yet met. We are in the process of hiring a full-time staff person to oversee and manage the GME Grant Program. That staff person was requested through the budget process independent of SB 350. Once that staff person is hired, we will convene the Council.

Chair Daly:

Subcommittee, any other questions in Clark County? Senator Lange.

Senator Lange:

You said you have not appointed all the members, and you are still working on it, do you have a timeline for that? Sometimes I find when there is no timeline it drags on.

Mr. Mitchell:

I will follow up with the Governor's Office and provide a timeline to your staff following the meeting.

Senator Lange:

Thank you.

Chair Daly:

Vice Chair Marzola.

Vice Chair Marzola:

Going back to membership and vacancies. You stated the Governor had not fully appointed all the members; can you tell me which positions have been appointed?

Mr. Mitchell:

I do not know which members have and have not been appointed off the top of my head. We would be happy to provide a list following the meeting.

Vice Chair Marzola:

Thank you, I appreciate that.

Chair Daly:

Any additional questions? Seeing none.

There is general consensus that we want to continue the GME Board—we were hoping to get it stood up as quickly as possible. I do not believe a sunset is in the immediate future for this Board, but we want to see things move quickly; we understand hiring the right person may take time, but we are hoping the process will be quick. I also understand Senator Pazina is reaching out to stakeholders, and there may be additional legislation requested to strengthen and move things along, so it works well—that is my understanding anyway. We will have a Work Session at a later date; no decisions will be made today. Do you have any comment?

Mr. Mitchell:

I appreciate the clarification, please know we are working as quickly as possible to move this forward, there is no intentional delay on our part. We look forward to the resolution of this agenda item from the Subcommittee.

Chair Daly:

Understood. That is what we are looking for, and the genesis of the question, thank you.

B. COMMISSION ON POSTSECONDARY EDUCATION (NEVADA REVISED STATUTES 394.383)

Chair Daly:

We will move to the next agenda item, the Commission on Postsecondary Education (CPE). Kelly Wuest, please proceed.

Kelly D. Wuest, Commission Administrator, Ex Officio, CPE, Department of Employment, Training and Rehabilitation (DETR)

I will keep my comments brief. We are the licensing and regulatory body for all private postsecondary educational institutions in the State of Nevada—we license 152 institutions as of today. Beside the full brick and mortar establishments, we regulate 44 out-of-state institutions for both agents and exponential learning, that includes medical residency—things other committees are working on. We are also the State approving agency for the Veterans Affairs (VA) Education Program; we have been that entity since our inception in 1975. One thing to note, which many states cannot say, since we have been running that

program, we have received a satisfactory rating from the VA, which is the highest rating you can possibly get. We have retained that rating since 1975 and are very proud of it. Through that program, we approve 81 different facilities in Nevada. That includes public institutions, private institutions, school districts for beneficiaries' unions, and on-the-job trainings. Our primary focus is to provide parameters for quality education, provide student protections, and to create standards for offering a degree in the State of Nevada. ([Agenda Item III B-1](#)) ([Agenda Item III B-2](#)) ([Agenda Item III B-3](#))

I can now answer any questions you may have.

Chair Daly:

Subcommittee members, any questions for the CPE? Senator Lange.

Senator Lange:

Does, the CPE currently have a backlog on issues? If so, are there any efforts underway to clear that backlog?

Ms. Wuest:

Yes, we have a backlog of 121 applications in the licensing process, that includes renewals, change applications, and move applications. To resolve that, in 2020 we were legislatively authorized to have a computer system as we are paper-based—we are operating like it is 1985—most people struggle with this. When budget cuts happened at the beginning of the Coronavirus Disease of 2019 (COVID-19), our system was automatically removed; we just received authorization to purchase the system last session. The initial onset was through American Rescue Dollars, and the ongoing cost was budgeted. We are now in that process; we have contracted with a company named Vera that serves many small states across the country. They have 17 different states that are involved, and several accrediting bodies. Right now, we are in the business processes making sure everything will flow properly and are expected to launch in July—that is one of our initiatives. We are also at four staff members, that includes one person who is 100 percent dedicated to the VA education program, and me who is a 70 percent State, 30 percent VA. The new person is an Audit Compliance Investigator whom we previously lost in 2011—we are now refilling this position—they are split between the VA Education Program and State funding. They split their time between different types of audits. We were able to onboard that person in November, they were hired internally from within our staff, and we were able to replace the other position at the end of December. We have been fully staffed since January; those were our two big initiatives. Other things that are going on is we are trying to pick up applications. If a school has five applications—and we have some that have as many as 18—we are working through that, the last few years we have been analyzing how things are flowing through a system. We have a 99 percent return rate, and two institutions who seem to get it right. We have to return applications for more information or corrections; that is happening on an ongoing basis. We are hoping the computer system will stop partial applications, which is our biggest problem. They will submit a full application, and we will be able to process them much faster. Right now, we have a digital paper log, and they will dump thousands of pages in with no reasoning as to how or why it was put together, and we have to figure out what they have done. We have significant challenges and hope the things we have been legislatively approved for will fix those issues. We are moving through applications, and are on time with our VA education program, but those are specific applications as we move forward.

Senator Lange:

I know a lot of regulations for the Commission are statutory, and some are archaic. What is your office doing to enact changes if you do not get a bill draft?

Ms. Wuest:

We would have to run through because we are under DETR right now. We would have to get them to sponsor the bill. We are not able to do so ourselves.

Senator Lange:

It was enlightening to know you are still using paper in 2024. Are there statutory regulations that need to be updated? If so, how are you working that process so you can get those regulations updated and be in 2024?

Ms. Wuest:

We have dealt with the school's committee—we put forth different scenarios. The background process is archaic. We conduct background checks on all faculty, administrative personnel such as the Chief Executive Officer, the Director—anyone involved in student activities—financial aid, admissions, and records. Over the last ten years I have been at the Commission; we have not had a single person holding a current occupational license sit in front of the Commission for a hearing regarding their background. It appears to be a futile effort. It is hard to have a doctor who wants to teach in a program be subjected to a background check when they already hold a current license and have already gone through the processes with different occupational boards. We would love to see that go away; we are looking heavily at the *Nevada Administrative Code* (NAC). A lot of requirements for our documents in the NAC are a bit onus. We are currently in the hearings phase to remove the requirement for an institution to have their advertising pre-approved by the CPE. That is in the final stages of approval, the Commission needs to finalize it. Every session we have a bill drafted. When dealing with the regulation of private postsecondary education, the challenge is having to deal with accrediting bodies and the Department of Education, they change regulation regularly, and it always seems to be an increase in regulation versus a decrease. I am an advocate of everyone being able to do business here. We want it to be fair, but we want students to be protected—we do not want to make it so difficult they cannot do so. That has been our challenge with bills, I think the last one we had sponsored had to do with the seat hold for medical and pharmacy school because it was causing issues in Nevada; that one passed in 2017.

Chair Daly:

Any additional questions? As a clarification, you do not get a bill draft separate from the Department of Business and Industry?

Ms. Wuest:

Last session, we were moved under Business and Industry. However, during housekeeping measures, they did not change NRS 394 to move us under Business and Industry because we were prescribed to be under DETR with our budget and administrative under that—it was in the original bill, but somehow it was eliminated. We are sitting between two agencies right now. The DETR is doing our personnel, information technology (IT), business services processes, and we are participating with Business and Industry on all questionnaires for the

boards and commissions group. As of now, we are still under DETR until that happens. You are correct, we do not get a separate bill draft.

Chair Daly:

That is the answer to the question, I do not get a separate bill draft. Regarding your recommendation on duplicating background checks, what way do you think it would go if we were to make a bill draft recommendation to the Legislative Commission in that regard? Would we continue with background checks at the Licensing Board level and eliminate it from your requirements. Is that how you envision it or vice versa—if you were to get rid of one or the other?

Ms. Wuest:

Right now, we have two groups who do not require background checks. They are the individuals who are currently working for the Department of Defense, that has to do with our VA Education Program. The other are people who are licensed by the Superintendent of Schools. That is a remnant of us being under Nevada's Department of Education (NDE) at one time—those are two exceptions to that backgrounding process. We are looking to eliminate all occupational bodies who do backgrounds. We would list all what we envision, all those occupational bodies who do a background check, so schools would automatically know they are not required to follow that process.

Chair Daly:

If it is not required from another agency they are dealing with, it would fall to you to do the background check. Otherwise, you will accept the background check done by the other agency. Is there a process for them to share that background check?

Ms. Wuest:

I am not understanding, share it with whom.

Chair Daly:

If the Licensing Board did a background check, you do not have to now because they already have. Are you able to look at their information?

Ms. Wuest:

We would use the fact that they are licensed as the parameter.

Chair Daly:

If they have a license, you do not have to see the background check? I am trying to understand so we have it right in case we make that type of a recommendation. We want your input, so you do not come back and say, "What are you guys doing?"

Subcommittee, any further questions? Seeing no additional questions. Thank you for your time.

C. RANGELAND RESOURCES COMMISSION (NEVADA REVISED STATUTES 563.290)

Chair Daly:

We will move on to the next agenda item. We have Hank Vogler and Rachel Buzzetti from the Nevada Rangeland Resources Commission (NRRC) on Zoom from Elko. You may begin at your convenience.

Hank Vogler, Chair, NRRC:

Good morning. I am here with Rachel Buzzetti, our part-time Secretary. ([Agenda Item III C-1](#)) ([Agenda Item III C-2](#)) ([Agenda Item III C-3](#))

I have been involved with the NRRC since it began in 1999. It was set up by Dean Rose, fashioned after Idaho's same promotion of use of rangeland in the State of Idaho. The statute is NRS 563.250. We are self-funded; no State funds are used. We assess ourselves 10 cents for every animal unit month (AUM). Those who do not wish to participate can get a refund. We have a sunset clause that says if we drop below 50 percent participation on funds we are through. So far, we have never come close to that. We have a dedicated group of people. Since its inception, no one has ever taken a penny, per diem, travel time, or anything. We pay our Secretary out of those funds. Otherwise, every penny collected is used to promote our industry. We are the stewards of the range, have contributed to livestock education, and are comprised of nine ranches that represent the different Grazing Boards. Rachel is a part-time staff, each represented on the Grazing Board, and we have ad hoc members from the Nevada Cattleman's Association, Nevada Farm Bureau, and the Nevada Woolgrowers. We spend over \$100,000 in programs for promotion of public land ranching. We have a website, Facebook, and Instagram. Please do not ask me anything about that, I am not a technology guy. We have had good support, and think we have spent money wisely and as best we can. If there are any questions, I will certainly entertain them at this time.

Chair Daly:

Subcommittee Members, any questions for the NRRC? Anybody in Southern Nevada? You did answer a couple of my questions. I suspected this may have been the genesis from Senator Rhoads, although I did not find that history. I understand you are not State funded and get your resources through the grazing industry. If I read it correctly, it is 10 cents per head. Is that how you are funded?

Mr. Vogler:

Yes.

Rachel Buzzetti, Executive Director, NRRC:

That is correct.

Mr. Vogler:

We collect those funds when the Bureau of Land Management (BLM) and the United States Forest Service tell us how many AUMs are used and by whom.

Chair Daly:

Are they required to pay those 10 cents, or is it voluntary? I know you have a rebate program where someone can ask for it back. If they pay it and they give it back, how much of what you collect do you end up returning? I am trying to understand the mechanism on how that helps promote, or if it promotes people getting the grazing rights through BLM. We know we have had issues with people saying, "I am not going to recognize the BLM. I am going to do what I want. I own that land. It is public, and I am going to graze on it regardless." Does this help promote people to comply with the BLM and U.S. Forest Service rules?

Mr. Vogler:

The legislation has some meat in it. You are required to pay the money, then you have to ask for a refund. If we get under 50 percent collection from those people, that is the end of the program. So far, we have never come close, we have about 8 percent returns. We have many people interested no matter the controversy, who owns the property under the original documents of the Taylor Grazing Act, back into the history of the laws. There is a split estate out there, and there are many people who believe in public land grazing. This State is 87 percent federally controlled. We try to educate people in Las Vegas and Reno, that we are taking care of the land. Even though some of the environmental groups like to point this out as being a bunch of evil, rape, pillage, and plunderers in the public domain—we are the first ones affected. If we do not take care of that country, we do not have calves, we do not have wool, and we do not have lambs. That is how we pay our bills.

We need to promote our side of the story, and we have had decent success. It is self-funding, and \$100,000 is a drop in the bucket when you try to buy into programs in Las Vegas and Reno; it does not get us very far. We have been able to put together footage for broadcast systems, National Public Radio; we have websites, and we tell our story of being the true stewards of the range. The caveat that was put into place when the first ranchers arrived was you control the water; you control the range. Nevada did not take State lands because they did not think Sections 16 and 36 in each township would generate enough revenue to pay for its administration—of course we all know that is no longer true—there are a lot of reasons. These permits were granted to people who paid for them in a split state—that is at least the thinking of the people here. We used to consider a 1,000-acre fire a huge fire, now we have million-acre fires. We have been eliminated in areas, and guess what happens when you do not remove the live fuels? It causes a fire.

Chair Daly:

I understand, I was trying to wrap my head around it; it is not an area of my expertise. I have insights into the fire reduction portions and the argument that has been going on for decades regarding a burned area and keeping the grazing out versus trying to manage it better through grazing—everybody has their own opinion on which way is best. I am trying to understand, that is why I asked the question. Any additional questions from the Subcommittee? Senator Lange.

Senator Lange:

Regarding the Commission members, I am seeing many expired terms. What are you doing to fill those positions?

Mr. Vogler:

The different grazing boards and the Nevada Cattleman's Association are choosing the last President or whoever he appoints—the Nevada Farm Bureau and Nevada Woolgrowers. We are a small element; there are not many of us. I am in for a Grazing Board, but it is up to whomever wants to do it. I am in a voluntary position—politically, I have no idea. The reappointments are up to the State, and for whatever reason they either failed to appoint some of us or—Bert Paris and I have been on there since day 1 and that was 25 years ago—that is up to the Governor and whoever appoints the members. We turn in the names of people who are willing to serve—there are not hundreds of people lined up saying, "Pick me, pick me."

Executive Director Buzzetti:

I communicate with the Governor's Boards and Commissions representative—I believe her name is Adina—several times a year trying to get Commission members reappointed.

Senator Lange:

I am wondering if that is something we can help with through this Subcommittee, to draw attention to Board Members and their need to be reappointed. I find that as we go through this, other boards are in the same situation. They are ready to be appointed, but it is held up in bureaucracy.

Chair Daly:

Understood.

Mr. Vogler:

If you get these appointments taken care of, please have them staggered. If we have people that roll off, we do not want a mass exodus in the same year—that is the way it was supposed to be set up.

Chair Daly:

I agree, Senator Lange, there might be something we can do. If we have people who are willing to step in, but there is a glitch, hold up, or some other organization is not completing their paperwork—no job is done until the paperwork is complete. Maybe you give them an incentive by saying, "It is up for bid, get your person appointed. If you do not, some other agency gets to take your spot." Like the National Football League draft. If you do not make your picking time, the next team gets to go. I kid on that one, but yes, we will look into it when we get to the Work Session and make a recommendation.

Any other questions in Southern Nevada? Not seeing any. If you think of something that may be helpful, be sure to let our Policy Analysts know, and we will take it into consideration.

**D. STATE PUBLIC CHARTER SCHOOL AUTHORITY (NEVADA REVISED
STATUTES 388A.150)**

Chair Daly:

We are going to move on to Item III D, SPCSA. Melissa Mackedon, proceed when you are ready.

Melissa Mackedon, Executive Director, SPCSA:

Good morning. With me today, I have Jennifer Bauer, Director of Finance and Operations. In Clark County, we have Dr. Tonia Holmes-Sutton, Chair of the SPCSA Board, and General Counsel, Samantha King Powell. ([Agenda Item III D-1](#)) ([Agenda Item III D-2](#)) ([Agenda Item III D-3](#)) (Agenda Item III C-4 [Due to copyright issues, the handout is on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. For copies, contact the Library at (775) 684-6827 or <https://www.leg.state.nv.us/Division/Research/About/Contact.>])

First, I am going to provide general context about the SPCSA. The purpose of the SPCSA is to authorize charter schools of high-quality throughout the State with the goal of expanding the opportunities for pupils, including without limitation, pupils who are at risk; provide oversight to the charter schools, its sponsors; to serve as a model of best practices in sponsoring charter schools; and foster a climate in the State in which all high-quality charter schools, regardless of sponsor, can flourish.

In addition to 33 full-time employees, the SPCSA also has 8 independent contractors working on various projects for the Agency. Many of the emergency funds were spent by September of 2023. The \$66.6 million is what remains in grants that have not ended. Additionally, we have a nine-member Board appointed by the Governor, Senate Majority Leader, Speaker of the Assembly, State Board of Education, and the Charter Association of Nevada.

The SPCSA Board meets regularly to carry out its statutory responsibilities. On the left, you will see the dates of last year's meetings which are linked to the public agendas for those meetings. The right highlights key decisions made at those Board meetings, which include the approval of various charter school amendment applications in accordance with NRS 388A.276; the approval of academic financial and organizational performance frameworks in accordance with NRS 388A.229; the issuance of notices of concerns when appropriate; the approval of transportation plans and funding pursuant to Assembly Bill 400; three recommendations to the Governor for consideration for the new Executive Director of the Agency per NRS 388A.190; the renewal of three charter school contracts for schools in accordance with NRS 388A.285; the approval to open four new charter schools in the 2024–2025 School Year in accordance with NRS 388A.246 through 388A.255; a school closure in accordance with NRS 388A.306; the review of annual site evaluations conducted in accordance with NRS 388A.223; progress monitoring towards strategic plan goals; and the review and approval of several statutorily required reports.

The SPCSA held workshops regarding several regulations, those regulations have been submitted to the LCB. Additionally, we have begun meeting with the Governor's Office regarding priorities for the upcoming session. We are a growing ecosystem in the State, and our Agency and Board are functioning as intended. As such, there is no need for the Subcommittee to recommend statutory revisions, consolidations, or termination of the Authority.

Here is the SPCSA in the context of the State. First, you have NDE, which is the State education agency; under that, you have the SPCSA. The SPCSA is an authorizer of charter schools. It is a local education agency, and it is a State agency. Under the SPCSA, we have charter holders and vendors.

Each charter holder may have one campus or multiple campuses. Each campus is led by a school leader and has a teacher and staff. Each charter school has vendors that provide them services such as payroll, professional development, maintenance, information technology, et cetera.

There are 81 charter school campuses sponsored by the SPCSA located across 5 counties; Churchill, Clark, Elko, Washoe, and White Pine. Of the school campuses sponsored by the SPCSA, 85 percent are in Clark County. The SPCSA is the third largest body of students in the State with approximately 62,000 students attending SPCSA sponsored charter schools. That does not include students attending Washoe County or Clark County sponsored charter schools.

By offering a variety of school models, the SPCSA enables Nevada families to choose schools that best align with the needs and interests of their children, including arts integration, Montessori, bilingual education, career and technical education, alternative high schools serving under-credited students, schools aimed at meeting the needs of young women, dual enrollment high schools, online or blended learning, classical education, science, technology, engineering and mathematics (STEM) schools; and project-based learning.

The remainder of this presentation outlines the progress made towards our strategic goals. I will not go through the entire presentation, but I wanted to include it for your reference, should you have any specific questions. With that, I am happy to answer any questions you may have.

Chair Daly:

Subcommittee, any questions for the SPCSA? I asked for the SPCSA to present, so as you might suspect, I will have several questions. If anyone thinks of a question along the way, get my attention. I have a lot of questions, so this may take some time, and we may need to have you come back later if you do not have answers for us today; we will get you scheduled for the next one. First, I want to make sure we both have the same understanding. Are you familiar with the concept of separation of powers outlined in our *State Constitution*?

Ms. Mackedon:

Yes.

Chair Daly:

We have three branches. We have the Legislative, Executive, and Judicial Branch. Article 4 of our [*Nevada*] *Constitution* says, "The Legislative authority of this State shall be vested in the Senate and Assembly." In other words, the Senate and Assembly of the Legislature set the policy, we enable agencies—such as yourself—to carry out the policy enacted by the Legislature, and of course, we set a budget for those agencies to carry out the policy. Are we in agreement on that?

Ms. Mackedon:

Yes, Sir.

Chair Daly:

The responsibility on the Executive Branch—under the Governor and all the agencies that fall into that—is to see that the laws of the State are faithfully executed. Can we agree that you are part of the Executive Branch, and your job is to make sure the laws are faithfully executed?

Ms. Mackedon:

Yes, Sir.

Chair Daly:

Excellent. My intention here is to investigate how the charter school laws enacted by the Legislature are being interpreted and administered. I want to determine if the laws are being applied within the intent of the Legislature that has been enacted, to determine if the laws are being applied as intended to achieve the goal of the Legislature, and to ensure the laws, as they are currently being applied, still align with the policies the Legislature intended. There may be disagreement on that. I am sure you are going forward and saying this is what we think the law says we can do. I want to find out if it still aligns with what the Legislature has intended. I am reminded of the movie *Gladiator*, when he says, "There was a vision of what Rome was intended to be, Marcus Aurelius, and this is not it." I want to find out if your version, and how it is being administered, is in alignment with what the Legislature intended and envisioned, if there needs to be adjustments, or if we are on the right track.

Excuse me if I jump around—I have a lot of questions—I will try to stay on track. I read through the entire regulations and made notes. There are about 140 pages in a Word document. I am not going to scroll through and ask everything; I am going to stick to broader topics. If I have to come back or jump around, I apologize.

I want to understand the hierarchy—or the process—because I had several questions; I do not know how it works. When a charter school wants to be formed, the words referenced were, "A Committee to Form a Charter School." They would fill out an application and volumes of documents within that application. For example, are you going to hire an education management organization (EMO)? Where is your facility? How are you going to do XYZ?

I am trying to figure out how a charter forms. How do they come into existence? Who forms them? What is the criteria for that? I know it is in there but explain it to me. Do they have the same disclosure policies the Board Members have? It seems to me there are awfully close relationships on this Committee to Form with educational management organizations, and that may not have been what the legislative intent was. It seems to be disjointed to me, that they are ahead of that. The Committee to Form a Charter Committee has somehow gotten ahead of the governing body, the Board—that comes later. After they have been approved, then the Committee to Form chooses the Board to comply with what they already said they do. I do not see where the Committee to Form has authority to enter into contracts, make agreements, or do any of the things they are doing in the application—I do not see that, I know they are only giving you proposed agreements. I want to know how all

that works. Who is really controlling this? How does the Committee to Form get formed? Who is driving that? When does the governing body come in, and what authority do they have after that? I know it is a lot, I am trying to lay out my concerns, and how it works. Walk me through that.

Executive Director Mackedon:

I feel like you are starting off with an easy one for me. The Committee to Form, how it is intended is that charter schools are supposed to be schools that are desired by the community they are going to serve. Let us take the Committee to Form I was on when I was living in Churchill County. I wanted another choice for the students in that community, so we put together a Committee to Form of like-minded individuals to put forth a proposal to the charter school. That is how it works. It is a group of people from within the community they propose to serve coming together with a mission and a vision to better educate kids in the community they are proposing to have their charter school. That is not any sort of legal entity. Once they put forth their proposal, as you said, it is outlined in statute what it has to include. It is cumbersome, these are often 1,000-page applications. Those get reviewed thoroughly by both the staff of the SPCSA as well as outside evaluators.

Only about 43 percent of those applications get recommended for approval. It is a rigorous process. That also includes an interview of the Committee to Form, because it is important for us to determine if the people involved understand the rigors of a charter school. Not just the academic rigors, but the financial and organizational requirements of operating an organization such as a school; we conduct an interview during that process as well. If the application is approved, the staff takes it before the SPCSA Board with our recommendation to either approve or deny. As I said, only about 43 percent get recommended for approval. If the SPCSA Board votes to approve a charter school, it is at that point they will get a contract. Generally, what happens is the Committee to Form becomes the first Board of Directors, that is when those things go into place. Disclosures, requirements for yearly ethics training, requirements for open meeting law (OML) training, requirements to hold meetings in accordance with OML, background checks for all Board members—all those things you are talking about. Once they have been approved and have a contract, that is when it goes into effect.

Chair Daly:

When this Committee is formed and they are doing this as a group of citizens—I believe you used the word intended, how it is intended to work—they come forward and say, “We want to form a charter school.” Everybody knows it is not as simple as that. You have to have a facility, you have to be able to hire teachers—even just to get to that, to fill out the application. These are not just a group of citizens who are saying, “Would it not be nice to have a charter school?” How are they backed? They must have funding behind them to have the ability to hire the school, or they are meeting with somebody who has the wherewithal to do these things and show the financial wherewithal as well. Who is that other person, either officially on the Committee to Form, or in the background?

Executive Director Mackedon:

I can assure you that most of these Committees to Form have no money whatsoever. Once they have put in their application, many of them apply to Opportunity 180 for a grant. That is a reimbursement-based grant, and it is dependent on them getting approved by the SPCSA. That is where they generally get their money to get going, through organizations like that. It is possible that a Committee to Form could hire a third-party vendor to help

them write their application. Where they would get those funds—when we were starting, we wrote our own application—we all put in \$1,000 and had \$5,000. It depends and is a case-by-case basis.

Chair Daly:

That is probably why 60 percent of them do not go through, because they do not have the wherewithal and the backing. The Committee to Form does not have the disclosure requirements the Board does on who they might be affiliated with, they can be anybody—in theory. They do not have to disclose who they are or what affiliations they have?

Executive Director Mackedon:

I am sorry if I was not clear on that. Yes, within the charter school application they do have to disclose who they are, and if they have affiliations; that is one of the requirements.

Chair Daly:

Are there disqualifying provisions? If there are conflicts of interest, does that disqualify, or is it simply you have to disclose it, and the rest is okay?

Executive Director Mackedon:

Yes, it could disqualify someone from being on the Committee to Form.

Chair Daly:

You said, “In the way it is intended to be,” and I am trying to get to how it actually might be—I am trying to figure that out. That is one aspect of some questions on how this Committee—you say mostly they then become the Board, but it is not required.

Executive Director Mackedon:

No, it is not required. Statute does spell out certain memberships, these boards must have a parent, a licensed teacher who does not work at the school—two of the three—an attorney, accountant, and someone with human resources (HR) experience. If the Committee to Form does not already have that makeup, which most of them do because they recognize they need that expertise to put forth a good application. If they do not, then yes, they absolutely would have to meet the statutory requirements for the boards once they are approved.

Chair Daly:

The way it could work, and the way it is set up, is you could have a Committee to Form that meets the requirements, completes the application, has an agreement with an organization, and may have a proposed agreement with another organization to buy land or build a facility. After that, they can pick a board who will comply or align with their requirements rather than the board being the driver. After it is formed and they get their application, the Board is who has the authority to enter into contracts, to spend money, et cetera. It seems backwards to me.

Executive Director Mackedon:

Technically, I think what you are saying is true. The Committee to Form could be gone, and a whole other group could come in. I cannot think of a time that has happened, but I can find the ratio of them staying as the Board, if you would like that information.

Chair Daly:

Technically true is still true. When reviewing old legislation, the SPCSA was meant to be an alternative for kids who were struggling or may not fit into the regular school system—to have another model to experiment with and see if something could be developed that may work. It would overlap into traditional public schools—I know you are going to tell me that charter schools are public schools, and I do not disagree—to find out how all education could be improved; not just education in charter schools, but across the board. Has that mission changed? This is what I see—and maybe I am biased—it has evolved to now be competition to public schools. We are going to be an alternate network of competing schools with fundamentally different rules and ways of operating. One of your Board Members, who approved a recent charter expansion in Washoe County, said that Washoe County is afraid of competition. Has that directive, that motive, that initial idea of the Legislature changed? I know the intent; I want to know the reality.

Executive Director Mackedon:

I am going to revert to that first slide. The purpose of the SPCSA is to authorize charter schools of high-quality throughout the State with the goal of expanding the opportunities for pupils, including pupils who are at high-risk; to provide oversight to the charter schools that it sponsors to ensure those charter schools maintain high educational and operational standards, preserve autonomy and safeguard the interests of pupils in the community; and to serve as the model of best practice in sponsoring charter schools and foster a climate in this State in which all high-quality charter schools, regardless of sponsor, can flourish. That is why the SPCSA was started; that has been our mission and directive since its inception. Before the SPCSA was around in 2011, I cannot address that as that was before my time. As far as the SPCSA goes, when it came into existence in 2011, this was the purpose, and it continues to be the purpose today.

Chair Daly:

That was the intention. That is technically true, but I think it has changed. Right, wrong, or indifferent, people were trying different ideas. They were pitched different ideas on how we would move forward with charter schools and things that would be put into place. Once in place, they take on a life of their own and may change their direction or the intent of the Legislature. Part of what I see when reading through this and talking to many people—former Legislators who were on education committees, current Legislators who chair the Education Committee in our Chamber—we often see things going in a different direction. We see the for-profit element of EMOs, not just here but across the country. They see it as an opportunity. It is their business model. They get as many kids as possible under the charter organization and EMO because that is how they make money. It is a profit center.

It has evolved from being public schools who help disadvantaged kids find niches where we may be able to improve the entire educational process, to getting more kids under the Charter School Authority because that is the way they make money. They do not have that opportunity in traditional public schools because there is a school district that run those things. They go out, sell, and try to find people and say, “We can help you get a

charter school over here. Would this not be wonderful?" They use all your statistics about having higher graduation rates, higher star ratings, et cetera. We will get into how I think some of that is also not entirely accurate. Has it changed unintentionally on your part, or our part because you are allowed to do this under the law? Educational management organizations have viewed this and are expanding charter schools as a profit center. You can deny it, but I think it is true.

Executive Director Mackedon:

I respectfully disagree. The SPCSA is concerned with what our vision says right here, "Innovative and high-quality public schools for every Nevada student." We are looking at student outcomes as the foundation. Our top priority is the performance of students sitting within schools in our portfolio. That is our priority.

Chair Daly:

I may come back to EMOs. Let us move to questions on the definition of a school. I have seen changes, which I do not think were intended by the Legislature—maybe it is allowed, maybe not. When looking at traditional public schools, by definition a school is each individual school location—elementary school A, middle school B, high school C. Each of those schools is an individual site. Is that the same for charter schools, or is it different?

You mentioned multiple campuses. Now you are going to say, "I have Campus A and Campus B, and they do not have to go through the same application." Do they get to lump their statistics together? They have separate administrators, but they only have one Board. I do not know that was intended to be done, or how that is going. How do you define a school, as one individual location or do you have an alternative model?

Executive Director Mackedon:

We do identify a school as an individual location. However, I think we cannot conflate that with the charter holder. The charter holder, that Board, may oversee multiple campuses—multiple schools if you would rather use that word—like the Washoe County School Board oversees multiple schools. A charter holder, the Board, can oversee multiple schools if it is approved to do so.

Regarding the other part of your question, NRS 380A.279 does allow for charter amendments to expand existing charter schools who go through a rigorous application process and have the data to back it up. In that case, they can be approved to add another school or campus, as outlined in NRS 388A.279.

Chair Daly:

I understand that interpretation. I want to see what your interpretation is, and what the intent of the Legislature was; do they still align? It seems to me that if I have a charter school board, and I want to open a new school, it would not be an amendment to my existing charter for my existing school. You use terms interchangeably. You said Washoe County oversees multiple schools. I do not know that it is the same comparison. Each individual school, each campus, is a separate school. When they do this amendment under this charter—I want to have 10 or 20 schools and expand grades. I have heard your presentations; I watched it at the Committee on Education, and I saw your presentation the other day as well. I have heard this already regarding the amendment process; I am not sure it is in line with what the Legislature intended.

Assemblyman O'Neill.

Assemblyman O'Neill:

I was looking at slide 16, your reading of "the Coronavirus Disease of 2019 (COVID-19) has continued to make academic gains." You show 73 percent of your schools earning a three or better, and 47 percent earning four or five. That adds up to more than 100. Where is the overlap? You have 73 on one and 47 on the other—should you be talking about that second one being five-stars?

Executive Director Mackedon:

The first chart includes three-, four-, and five-star schools.

Assemblyman O'Neill:

Seventy three percent?

Executive Director Mackedon:

Yes. The first one represents three-, four-, and five-star schools. The second one represents only four- and five-star schools. You pull out the three-star schools—I think a clearer picture of it can be seen on slide 19 where it breaks it down by one-, two-, three-, four-, and five-star schools.

Assemblyman O'Neill:

That is what I was comparing, and I was confused on that. The testing that is discussed in slide 17, on how well charter schools do in comparison to public schools, it is the same testing, is not it? There is no modification. I have heard it is the same standard. Is that correct?

Executive Director Mackedon:

Yes, same test, same standards.

Assemblyman O'Neill:

Going back five years, how many charter schools have been closed for failure to meet the Board's standards that were originally set for them? Do you know?

Executive Director Mackedon:

I do not know offhand. It has probably been over five years since a charter school closed due to poor performance. There have been schools that have closed for financial reasons, like not having enough enrollment to sustain them financially. It has been many years since a charter school was failing academically in the State, and we had to trigger NRS 388A.300 that was an automatic closure. It has been a long time.

Assemblyman O'Neill:

I guess my memory is—

Executive Director Mackedon:

Time flies.

Assemblyman O'Neill:

Time flies because I know we had several issues here in Carson City, and I thought a couple schools were recently closed in Las Vegas.

Executive Director Mackedon:

There was a school, over five years ago, in Carson City that did close due to chronic underperformance academically, you are correct about that. In Las Vegas there was a charter school that closed last year; it was not because they had poor academic performance. It was an all-girls school, and they had low enrollment, so it financially was not viable. We did not close them down, their Board turned over their charter because it was not financially viable.

Assemblyman O'Neill:

Across the nation—I will not only talk about Nevada—across the nation, have there been any studies or data developed regarding charter schools having damaged the performance of public schools?

Executive Director Mackedon:

There have been numerous studies about that. I have a file of them, and I would be happy to send them your way.

Assemblyman O'Neill:

Are they nationally, or do you have any specific to Nevada?

Executive Director Mackedon:

I do not believe there are any specific to Nevada. It is a large file, I would have to double check.

Assemblyman O'Neill:

Chair, do you mind if we get more recent studies, I am curious about that. I know we have had discussions amongst ourselves about performance, the damage, or their involvement with public schools.

Chair Daly:

Yes, as I said earlier, we are probably going to have you return with additional information that you could not have anticipated or known about, like Assemblyman O'Neill's question. I see you are taking notes—we can discuss that at our next meeting.

Assemblyman O'Neill:

I appreciate that. That is all I have for now, you may stir something else up.

Chair Daly:

I have a few more questions about EMOs, I believe NAC contains a section on that. Some of these questions may not be directly related to the EMO, but they relate to Assemblyman O'Neill's questions.

Nevada Administrative Code 338A.560 3(a) states, each campus of the charter school to be evaluated against specific performance goals for academic achievement according to the performance framework adopted by the SPCSA. *Nevada Administrative Code 338A.560 3 (b)* states, the charter school to be evaluated as a whole based on a weighted average of data concerning pupil advancement [achievement].

I am not claiming to be an expert on what it all means. What data is used for the State accountability score and your star rating? The data collected under NAC 388A.355 and NAC 388A.560 are not necessarily based on the same factors, from what I could see. You have NAC 385.820 for non-weighted data or individual each charter school performance framework weighted data. How might the weighted data effect the statewide accountability standards? I do not know if school districts get to use it or not. There is all this data being collected. How does it all mesh together?

Executive Director Mackedon:

I think it is easiest to compare it to the Carson City School District as an example. Each of their schools is going to be rated on the Nevada School Performance Framework (NSPF)—every elementary school, middle school, and high school. The same is true for charter schools. Let us pretend we have charter schools A, B, and C; they have campus one, campus two, and campus three. Campus one, if it has an elementary school, that elementary school will be rated; if it has a middle school, that middle school will be rated; and if it has a high school, that high school will be rated. The same is true for campus two, and the same is true for campus three. Every school is rated on the same NSPF that all public schools in Nevada are rated against. Then what the SPCSA does is it takes that data and rolls it into our academic performance data. We look at not only that data, but also how that data compares to other schools in the area. There are other metrics on our academic performance framework that we look at in addition to the NSPF.

Chair Daly:

How is the data weighted? What are they talking about when they talk about weighted data?

Executive Director Mackedon:

I am not sure what you are talking about—I will have to read it myself. I would be happy to get back to you on that. I am not 100 percent sure what you are asking, or what you are referring to.

Chair Daly:

It might be other places, but it is in NAC 388A.560 subsection 3(b), each charter school to be evaluated as a whole based on a weighted average of data concerning pupil achievement.

Executive Director Mackedon:

I think it is saying the data that is calculated in the NSPF is by nature weighted data. That is what it is, it is the same data that every public charter school is being measured against. It includes proficiency data and that is weighted. I am not going to get these exactly right, but proficiency data might account for 20 out of 100 points. Growth data is weighted much higher. The State of Nevada has decided that student growth is more important than student proficiency, so it is weighted at say 60 points. They have chronic absenteeism getting a certain number of points. The points are the same as the weight if you will. That has been determined by the State of Nevada through the NSPF. They are different. On high school, one of the weights is graduation rates. One of the weights is how they perform on the American College Testing (ACT). One of the weights is how many people get advanced diplomas. Each one of these performance frameworks have different metrics, and they are weighted differently that all roll up to the overall star rating.

Chair Daly:

Maybe you can help me get more information on that. I will try to come back and refine my questions.

Nevada Administrative Code 388A.570 talks about employees of the EMO. It says the person is not employed by the governing Board of the charter school, and the provisions of several NRS do not apply to those employees, et cetera. They specifically made sure to say the statutes regarding the collective bargaining rights and benefits of any teachers they might have—they do not get the rights and benefits. I was curious on how that worked because there is another provision in there that says EMOs can provide up to 30 percent of the teachers, the administrator, et cetera.

If they are not allowed to have the same benefits, are those teachers employed by the EMOs subject to Public Employees' Retirement System (PERS), or are they not subject to PERS? How do you make sense out of those two conflicting provisions?

Executive Director Mackedon:

I do not have the statistics in front of me on what percentage of employees at each school are employed by the EMO. I can tell you there is a major teacher shortage. I do not know any teacher who is willing to work without getting PERS or health care. It is a high percentage, close to 100 percent, of teachers at charter schools are employees of the Board, receiving PERS, health insurance, and other benefits the charter school may offer in addition to that.

Chair Daly:

To be clear, charter school teachers who work for EMOs do not get PERS?

Executive Director Mackedon:

I honestly have no idea. I am not familiar with any teacher who works for an EMO, so I cannot answer that question.

Chair Daly:

If I read your statute correctly, they can provide up to 30 percent of the teachers.

Executive Director Mackedon:

I am not as familiar with that statute, because it is not something that is actively in play. I will have to take your word on that. I am not sure off the top of my head.

Chair Daly:

Every time you say you do not know, will you bring that information back to us next time, correct?

Executive Director Mackedon:

Yes.

Chair Daly:

Even though they are not subject to NRS 288, if they are privately employed, they still have collective bargaining rights under the National Labor Relations Act (NLRA), I am assuming. You would not be able to prohibit that, they have collective bargaining rights either way. My understanding, as it relates to the EMOs, is no single contract can be more than 15 percent of the income to the charter school. Is my understanding of that provision for one vendor—or whatever it is they might be paying—correct?

Executive Director Mackedon:

That is also my understanding.

Chair Daly:

Say I am going to pay the EMO to do A, B, C, and D, but I have a different contract to have them do additional services. Is it two 15 percent, or one 15 percent for each entity? Can they also be paying rent to these organizations, or a subsidiary of those organizations? Is there an ability to get around that 15 percent per organization, or per contract?

Executive Director Mackedon:

I honestly do not know. I will have to look into that and get back to you.

Chair Daly:

Very good. I think you might be surprised by what you find. This may be an unfair question because you may not know, but what type of services are EMOs allowed to provide, or traditionally provide? I do not know if they do the legal work, but they say, "We are going to help you with curriculum and buying books." Can you explain what they typically do, and if there are limits on what they can do?

Executive Director Mackedon:

Both EMOs and charter management organizations (CMOs) have a long list of services they provide. They can provide professional development if it is a CMO who has a model somewhere else, like a project-based learning school that is now coming to Nevada. They might provide professional development to the teachers, so the model can be implemented

with fidelity in Nevada. They can provide something as simple as payroll or purchasing. The list is broad, and it depends on a case-by-case basis.

Chair Daly:

Understood. I was trying to get a better idea of it myself. *Nevada Administrative Code* 388A.580 talks about some things they have to list. *Nevada Administrative Code* 388A.580 subsection 6(a) states, the amount of money received by EMOs from public and private sources to carry out the terms of the contract.

Is there a split between the public and private sources? When does it stop being private and become public? Is there another organization saying they will pay the EMO separately above and beyond here, or does it have to flow through the Board who they have a contract with? As soon as the Board has it, it is no longer private money, it becomes public money and would seem to be subject to those 15 percent. Do any EMOs get paid by other organizations to perform services for the charter school to get around the 15 percent in some of these other roles? These are some of the problems you have within the for-profit organization.

Executive Director Mackedon:

I am only looking at charter schools. They are getting an annual audit. All the money that comes through the charter school, that comes in and goes out, is all public record and is available. Those are the people that we are overseeing. That is all I can address.

Chair Daly:

There could be money that is earmarked to go to the EMO that does not flow through the Board. Is there any way for you to determine if they are providing service A, service B, service C, and you say to that charter school, "How are you getting this other service performed?" And they say, "Somebody else is paying that." Has that ever happened, or do you have information on that?

Executive Director Mackedon:

There is no way for money to flow through the school and not be able to identify where it came from or where it is going. To my knowledge, I do not know of any other organizations out there.

Chair Daly:

Will you check for me? Do you understand what I am saying? I know if it flows through the school, it cannot be done, but is it done outside by private donation? This is a private donation given to these people to help you out, and they are going to perform this service for you, from me, and I gave it to you as a gift.

Executive Director Mackedon:

Gave it to the school?

Chair Daly:

Gave it to the EMO to provide it to you.

Executive Director Mackedon:

I am not sure what authority I would have to go to a private individual and request they tell me who they made donations to. I do not know how I could, and who I would ask. Would I just start asking people?

Chair Daly:

I am sure you can figure it out. We will see what you can do on that.

Assemblyman O'Neill.

Assemblyman O'Neill:

If I am a nice person and I want to donate a ball field or a building to a charter school, is that recorded anywhere? It is a private donation. Does it become public knowledge who donates? Let us say I want to donate a ball field without public recognition, is it recorded anywhere? I do not want to speak for the Chair, but I think that is what he is going towards.

Executive Director Mackedon:

I think it depends on who you are giving the money to. If you give the money to the charter school, it is going to be clear. If you give the money to another organization, it may or may not be clear.

Assemblyman O'Neill:

What if I title over the property next to it?

Executive Director Mackedon:

If you title it to the charter school, I believe it is going to come out. It is going to be hard to keep that a secret.

Assemblyman O'Neill:

Would it be in the reporting and acknowledged? That is what I was looking for. Would it be difficult to give what is often called now in politics, dark money or black money and keep it hidden?

Executive Director Mackedon:

Something like that, if it was titled over to a school, it would be an asset that would be depreciated on their annual audit like any capital item is. Yes, it would show up year after year on their audit.

Assemblyman O'Neill:

Thank you.

Chair Daly:

Under NAC 388A.580 Section 6, subsection (c), the preface of Section 6 is, if the governing body of a charter school enters into a contract with an EMO, the governing body shall require the EMO to provide a written report to the sponsor governing body of the charter school. That is one of the things they are supposed to do, so I am assuming some of this is there. Are they doing this? Is there a follow-up? They are supposed to include an identification of each contract, transaction, and agreement entered into by the EMO related to carrying out the contract—so they may not all be with the governing body—with the charter school, including, without limitation, contracts, transactions, agreements with parent organizations, subsidiaries, and partnerships of the EMO.

That is what I am getting at. If we have a contract with this other parent group who is the owner of your building, is providing the building—or the leasing of the building—and we have a separate contract with them. I am trying to get through the smoke and mirrors, the transparency we were talking about. I would start there on my previous question.

Nevada Revised Statutes 388A.585 says an EMO cannot provide more than 30 percent of the teachers. We already established they would not get PERS if they were working for the private organization.

Shifting gears to some of the explanations. Is the NSPF what everybody gets measured on for the star rating?

Executive Director Mackedon:

What everybody in the State gets is the NSPF. Every school gets that. What is unique to the charter schools is the frameworks. There is an academic, financial, and organizational framework. That is a higher level of accountability and oversight we have on charter schools that traditional public schools do not have.

Chair Daly:

Switching over to your framework, which there are three elements. When you establish that you have four levels where you have 20, 40, 60, 80 points that you can give. How do you do that?

Executive Director Mackedon:

Each framework works a bit differently. The academic framework is based on a total of 100 points; 60 of those points come from the NSPF. The other points come from comparison data and diversity data. The way the financial framework works is it looks at near-term and long-term ratios. Each metric can either meet standards, does not meet standard, or falls far below standard. The organizational framework is also points-based. It is looking at about 40 different compliance type issues, but it is also points-based.

Chair Daly:

Your academic framework is the one I have the best reference points to. That is where there is the point system, you have so many points for what the star rating is. Basically, that is somebody else's number, and you give 60 points for that. Is it a 100-point base or 80?

Executive Director Mackedon:

One hundred points.

Chair Daly:

You give 60 points, and the next comparison is for growth or compared to other schools?

Executive Director Mackedon:

Compared to other schools. Let us take a school in Clark County. It looks at how the charter school did compared to Clark County as a whole. It also looks at how school A in zip code 89501 did compared to the other school in 89501, specifically the schools closest in proximity.

Chair Daly:

I did not get that part. What I read in the statute—and what other people have helped me with—is that you do the star rating, whether that is fair and equitable or not. I understand there are different rules for charter schools and regular public schools. When you do the comparison, it is countywide. I may be jumping ahead and thinking about the diversity part rather than schools in that area. Then you determine if it is based on growth, how much the students grew, or where they compared to other schools there. It is not based on growth.

Executive Director Mackedon:

It is a bit confusing. First of all, there are not different rules on the NSPF for charter schools than there are public schools.

Chair Daly:

We will get into that. I disagree. We will get into that.

Executive Director Mackedon:

The first metric says, what was your star rating? How many points did you get on the NSPF? The next one looks at certain metrics within the NSPF. I believe it looks at growth, but it may be looking at proficiency also. It does both the district and the nearest neighborhood school, if you will. It does both.

Chair Daly:

How many points do you get for that?

Executive Director Mackedon:

Off the top of my head—I was not prepared to talk to about this today—I believe it is 20 or 25.

Chair Daly:

Sixty for the star rating if it is three or above, correct?

Executive Director Mackedon:

No. If you only got one or two stars, that is going to feed into the metric as well. That is why most schools that do not do well on the NSPF also do not do well on the academic framework.

Chair Daly:

What level of the NSPF, the stars, do you have to get to get the 60 score for you guys?

Executive Director Mackedon:

It is a total of 60 points they can earn in that section. It is all broken down in a guide that tells you exactly. If you get 0 to 20 points on the NSPF, it is worth this many points on our framework. If you get 25 to 50 points, it is worth this many. I do not have that all locked in my memory. If you get one or two stars on the NSPF, it carries over onto the academic performance framework.

Chair Daly:

I think you switched gears on me because the way I understand it is that you have a scoring. If I get 0 to 20, that is where I am going to score you on my framework evaluation that has three components: the star rating; academic comparison; and diversification. Those three things are going to make up your points. Zero to 20 gets you whatever it gets over here. You switched. I am talking about to get the 60 within the one element of your scoring system. What star rating gets a 60? Is that prorated?

Executive Director Mackedon:

I believe it is five stars.

Chair Daly:

You believe, but you do not know?

Executive Director Mackedon:

I do not have the tables memorized. No, Sir.

Chair Daly:

That is what I need to know. I want to see how you are scoring because if a person gets to 80 points out of 100, they get an A. The last time I checked 80 points is not an A. Ninety points would be an A. I am trying to figure that out. What do have to do to get the 60? Let us say I am a five-star school, and I am going to get the 60. If I am a five-star school, I am assuming I am going to get the other 25, so that is 85. Then under your score on the framework, they are going to be at an A. The last metric is 15 percent on the diversity. It is my understanding the diversity is only done district wide, correct?

Executive Director Mackedon:

Yes.

Chair Daly:

You do not compare it like you do on the education part with schools around you?

Executive Director Mackedon:

No, that is a district metric.

Chair Daly:

If I am a five-star school, I do not have to worry about the diversity portion of it because I got an A under your score at 80.

Executive Director Mackedon:

That is the biggest thing you have to worry about. If you are a four- or five-star school, that is going to translate into the other categories. If you are not serving a population that is representative of the county that your school is in, you will get dinged, and you will lose points.

Chair Daly:

I understand the county. I do not think it is a fair comparison countywide versus schools in that zip code or related schools in that area. I do not think that is the right comparison. Irrespective, they would not have to worry about that part of it to get an A on your performance standard ratings. If they scored a 60 and a 25, or if they got a 55 and a 20, they would be B or better even if they had 0 on the diversity part. Is that correct? That is the math.

Executive Director Mackedon:

I hesitate to say because I do not have the whole performance framework memorized. I would be more than happy to come back and do a full presentation on the academic performance framework where I have all the right information in front of me. I hesitate to say something inaccurate on the record.

Chair Daly:

I do not have them memorized either, but I am not the expert. I know you have only been on this for a little while, so it is okay. You can come back with answers to those questions.

When we look at the star rating scores, and I am not as familiar with that as the part we just talked about. I do know that part of it is based on attendance and other issues on how well students are doing. We get into this comparison of what does a public school have to do that a charter school does not have to do. There are several things. I want to further discuss when a charter school enters into a charter contract, who decides? I know approval goes to the Authority, but the charter school is going to write in what their attendance policy is. The charter schools are going to write in how they are going to handle behavioral issues with students. The charter schools are going to decide if they can handle this; I know they are supposed to take students with disabilities, but if they cannot accommodate them, they can say, we cannot accommodate them and send them back to the public school.

When we are talking about absenteeism, it is my understanding a charter school can include a charter that says, for example, you missed seven days. We are going to unenroll you.

Where do they go? That particular problem goes back to the public school, which they are now being compared against in the charter school. If a person has behavioral issues, whatever it might be, a charter school can write in their contract something that says we are not dealing with kids with behavioral problems. Maybe it is not as simple as that, but there are metrics. They can unenroll that student and send them back to the traditional public school. There are several areas where I think it creates an advantage, intentionally or not. Charter schools regularly put those in. They are allowed to do it. I am not saying it is not allowed.

Executive Director Mackedon:

They are not allowed to do that. They are on the same rules for attendance that a traditional school is. They have to follow the same guidelines for suspension, expulsion, and long-term expulsion. That is all mapped out in NRS, and charter schools absolutely have to follow that. They have to follow all the restorative justice policies. They are on the hook for all of that.

Chair Daly:

I read both the statute and the NAC, and I did not see that in there. I saw they can put into their charter contract attendance rules that are different than the school district, and students can be unenrolled. I can get the school district to come in, whoever it might be, to say what you said is untrue, from what I have been told. You guys can have dueling conversations, then maybe we can get to the bottom of it. They can put those provisions regarding attendance into their charter contract. Is that true or false? Can they put attendance provisions in their charter contract?

Executive Director Mackedon:

False. They cannot.

Chair Daly:

I will take a look, and I will find it in here. That is not what I read; same with behavioral issues. There are more hoops to jump through if there is a student with a disability. Did you have a comment?

Executive Director Mackedon:

They have to identify they have an attendance policy, and they have a special education policy manual. Those policy manuals have to be in compliance with State and federal law. They have to produce that so when we are evaluating that application, we can see they understand there are rules about how you deal with behavior in the State of Nevada at a public school. There are rules about how you have to educate students who fall under the Individuals with Disabilities Education Act (IDEA), and they understand that. They have to provide those policies, but they have to be in alignment with State and federal law, without exception.

Chair Daly:

You are saying there has never been a student unenrolled for an absentee problem in a charter school in the State?

Executive Director Mackedon:

To my knowledge there has not been. That has not happened.

Chair Daly:

I will try to get the information to educate you on that.

Let us talk about enrollment. I understand there are provisions they are allowed to put in their charter agreement regarding enrollment. I know it is first come, first served—in theory. I know you are shaking your head. It is sort of first come, first served, and there is a lottery system for that. There are a lot of rules regarding transferring from one school to another. They are also allowed to put in there it is not first come, first served if your older sibling attends that school. You can get ahead of everybody else—you may end up in a secondary lottery, but you are ahead.

Explain to me how and where—because I read they are allowed. I am not saying everybody does, but they are allowed to give preference to a student who is enrolled in prekindergarten (pre-K). What are the rules to get into the pre-K selection? I did not see anything on selection for pre-K. If they are out there recruiting and saying all these wonderful statistics that may not be apples to apples. We are so much better. Come to our school. Enroll in pre-K. That way, we can ensure you to get in.

Executive Director Mackedon:

I think we only have two charter schools that offer pre-K. My understanding—but I can double check—is they are operating their pre-Ks in a similar manner where it is lottery based. It is not first come, first served. First come, first served only applies if they do not fill all their seats. Let us take pre-K for an example. There are 10 pre-K seats; 9 people apply. It is first come, first served; they all get in. If 15 people apply, it is not the first 10 that got in. If you have more applicants than you have seats, it automatically goes to a lottery. It is my understanding—but I can find out for you—that those two preschools in charter schools run a lottery the same way they do for kindergarten.

Chair Daly:

That is why I said sort of. It is first come, first served, and the lottery. I understand if you have more seats and you limit how many they can have, they would have to have this process in order to do that, but siblings can jump the line. I do not know that it is as comparable as you keep saying. A school district has to take every kid, including the ones you say allegedly are not unenrolled. They have to take every kid; they have to provide all those services. It is slightly different for charter schools when they do that. The way I read the rule, they are supposed to send out an advertisement brochure to all the kids. Who oversees that? What are they allowed to put into that advertisement? I do not recall if there were parameters on what they are allowed to put in as a framework or benchmark. Are there rules on that?

Executive Director Mackedon:

To my knowledge, we do not preapprove their flyer. I believe they have to send it to every household within two miles of the proposed location. It has to be mailed 45 days before they have enrollment or a lottery, so all the families in the surrounding neighborhood have time to apply to the school. We do not monitor those mailers or sign off on them.

Chair Daly:

Is the actual content unknown and left to the marketing devices of individuals?

Executive Director Mackedon:

Correct.

Chair Daly:

That is an issue to me.

I have heard you say this before—and I want to dig into it—that we need to have charter school equity. Tell me what charter school equity means to you.

Executive Director Mackedon:

I think a great example of a part of equity that was missing from the Nevada landscape for a long time was transportation. We know there are families who are not in a position to provide transportation to and from school for their students. Charter schools not having access to transportation funding was an equity issue. Now that we have funding available to provide transportation, it provides greater equity. It opens the door for more families to participate and choose a charter school. Families who historically may have wanted their child to go to charter school, but they have a single parent or a parent who for whatever circumstance are not in a position to get their child to and from school two times a day. That is a major equity issue. Facilities funding is a major equity issue for charter schools. Any situation where a charter school is not being funded the same as a traditional public school is an equity issue for the kids in those schools.

Chair Daly:

I understand the transportation deal, but people volunteered for charter schools. If they want transportation, they get to go to traditional public schools. When it comes to the section you mentioned about facility funding it is my understanding, with the exception of Washoe County, traditional public schools do not have facility funding separate from what they get from the State through the per pupil funding. Washoe County passed a ballot initiative to alleviate overcrowding, which has largely been accomplished—which is good. Now they are working on improvements in safety requirements for the schools. Do other school districts—I do not know if that is necessarily an equity facility funding provision. I do not think other people get money from the State for that either is all I am saying.

Executive Director Mackedon:

I am not a tax expert. There are a few counties, like White Pine, that have reached their tax threshold, and are not getting the per pupil amount for facilities. Those are some of the small counties; they are the exception. On average in Nevada, students get about \$1,200 per pupil from their local property taxes to fund capital projects. With few exceptions, the majority do have access to that funding for capital expenses.

Chair Daly:

Understood. To me, the equity issue goes both ways. We can disagree if you want. I think there are differences. Charter schools are different than traditional public schools regarding curriculum, enrollment, teacher evaluations, teacher credentials, attendance rules—that is

where we might disagree—rules for students with behavioral concerns, students with disabilities, et cetera. When we talk about equity advantages for one and disadvantages for the other, I think it works both ways. There is not a question there, but if we are going to talk about equity, it needs to go both ways.

Are there any follow-up questions from Southern Nevada? Senator Lange.

Senator Lange:

I wanted to make a comment. It is not about what you were asking. We had public comment earlier from several unions—not just one—a number of unions talking about prevailing wage and transparency. For the record, I want to make sure we keep that on the front. We have worked long and hard to get prevailing wage for workers in our State. I want to make sure we address that in whatever we do to ensure it happens. Just as we require other businesses to do it, the SPCSA should have to do the same. I will look forward to seeing it happen.

Chair Daly:

Thank you for that timely comment. That was the section of questioning I was going to go into next. Anybody else in Southern Nevada? Seeing none.

Along the lines of prevailing wage, are charter schools required to pay prevailing wage on their facilities?

Executive Director Mackedon:

Charter schools are required to pay prevailing wage.

Chair Daly:

Can you get me information on remodels, reconstructions, ground up construction, adding a new bus stop, et cetera where charter schools went to a bid—same as a traditional public school—and paid prevailing wage for that contract if it was over the \$100,000 limit. Can you give me an example of where that was done? All the gentlemen that called in earlier today and people I have talked to, north and south, say it is not happening, and there are systematic mechanisms of evasion that may be happening. That goes back to my questions about EMOs.

Executive Director Mackedon:

In my previous role as Executive Director of Oasis Academy in Churchill County—we are building a high school right now; we are paying prevailing wage. Elko Institute for Academic Achievement is retrofitting a new building right now; they are paying prevailing wage. I do not know of a charter school using their funds to build a building that is not paying prevailing wage.

Chair Daly:

You said the key words, “Using their funds.” How does that fit into the equation? When a person submits an application, as far as your financial review—we can use the one we passed in Washoe County in the North Valleys. They say they are going to buy property and build a new facility. I know Washoe County said they have to do this before you buy property, you have to do this for the building, et cetera.

How is that financing going to go forward? They said they were going to use the Turner Foundation. Is that going to be a privately held building for a public school paid for privately, not passed through the charter school? Then will they pay rent? Are they going to claim an exemption from prevailing wage or competitive bidding? That is what I am talking about. Is there transparency there? Do you review that? That is part of your financial oversight if you ask me. How much is the lease going to be if they do that?

Executive Director Mackedon:

I will be honest. I cannot say exactly all the specifics off the top of my head for how that is going to work, so I hesitate to guess and get it wrong.

Chair Daly:

It would be scary if you did know.

Executive Director Mackedon:

I am not 100 percent sure exactly how that is going to work.

Chair Daly:

Are you going to find out and report back, or give us more information? This is what I have understood, or think is part of the process where they say, "We will magically build a building on a piece of land we bought that happens to match where you want to put your school. We will build it to your specifications right down to the flagpole in front, meeting all the school district and public building requirements, ADA and the rest of it." Miraculously say, "How convenient that we have this building we built on spec right here for your school. We are going to lease or rent it to you." That is the evasion I am afraid is happening. Other charter schools that are doing it right, that is good. Can you tell me if the charter schools you gave examples of, use the competitive bidding process under NRS 338—advertise and all that? Are they submitting certified payroll reports?

Executive Director Mackedon:

Yes, they are required to, and they did.

Chair Daly:

Are all the schools you have oversight over doing it? You have 85 schools. Is there a requirement to tell you when they are going to do this on every construction project? Has every single school been built under those competitive bidding and prevailing wage requirements?

Executive Director Mackedon:

To my understanding, if the charter school itself is paying for it—I think you are right. I think in some instances, there are third parties that build these buildings that are other types of organizations. My understanding is that with the way the agreements are structured with those entities, it precludes them from some of the language in the law. That is my understanding. I am not a real estate expert or attorney.

Chair Daly:

You are in charge of the oversight, correct? I can cite two dozen—there are many instances here where it says that part of your job is to ensure they are complying with all State and federal laws. I would have your people go back and look at NRS 353 regarding lease purchase and lease installment agreements for State government. We look at NRS 354 which covers local governments, which a charter school authority is a public body subject to all the rules. They are not exempt unless they go through the financing for public bidding. The financing provisions are in NRS 550 through NRS 695. Those two things cover them.

Senate Bill 226 passed last session which says careful consideration must be given over novel financing provisions so prevailing wage is not evaded. I know people think we are exempt from this because we did this, and it was miraculously built there. No. It is a public school. You want to be public schools, you have to follow public rules and public bidding. You cannot circumvent these things. Most of the public comment today regarding charter schools were about that issue. It is a problem. It is not imaginary. People are doing these things, and I believe they are doing it illegally now.

I will go over the history. In 2011, Senator Hammond brought a bill, his big bill for charter schools. That was held up to the end of the last day. He said, "What do you have to have?" I said, "You need to put prevailing wage on these charter schools." He did, and we put it in. The 2015 Legislature took it out. During that period, until it was put back in during the 2019 Session under AB 136 by Speaker Frierson, that removed the exemption from prevailing wage. It did not put any more specific language in. It removed the exemption. During that period between 2015 and 2018—2018 was the last time a school was financed under that bonding through Department of Business and Industry because there was no prevailing wage on it. Nobody has used that financing since because they think they have to pay prevailing wage, but they have to pay prevailing wage on all of it. Then we had SB 226 last session. We also had AB 190 in between, which was my bill, in 2019 that said even if you are not a public body, it applies to the same extent as if the public body led it itself. Senate Bill 226 says we have to look at these novel financing provisions with strict scrutiny. If it is going to be for a public school built to those specifications, it is a public work, and prevailing wage and competitive bidding applies.

I would ask you to investigate that, see how many projects have been constructed, and what the most recently approved one is planning on doing. I bet they are not planning on paying prevailing wage and are trying to circumvent that role.

Executive Director Mackedon:

I would be happy to look into it for you.

Chair Daly:

Excellent. If we think of other questions between now and then, I will get our Policy Analyst to send them to you; same for the other Subcommittee Members. I think some of the directions, interpretations, and implementations are not in alignment with what the Legislature envisioned. We may need to make adjustments, because when I look out there, there was a vision of Rome, and this is not it. There was a vision of charter schools, and this is not it. Subcommittee Members, any other questions or follow-ups?

Chair Daly:

Vice Chair Marzola.

Vice Chair Marzola:

My question is about a new build. It is my understanding that a charter school cannot be built, for example, across the street from a traditional public school. Am I correct in that?

Executive Director Mackedon:

I do not believe there is any provision that disallows that. There are many examples in our State of charter schools, public schools, and private schools, across the street, kitty-corner, or next door to each other. A lot of examples throughout the State.

Vice Chair Marzola:

There are no rules that it needs to be a certain mileage apart?

Executive Director Mackedon:

Not to my knowledge.

Vice Chair Marzola:

Thank you for that clarification.

Chair Daly:

Subcommittee Members, any additional questions for today? We will get you scheduled for the next meeting. You have notes, and we will send questions so we can do follow up.

Seeing no additional questions, we will close out Item III D on the SPCSA. Thank you for your patience and answers to our questions. We look forward to your follow-up.

AGENDA ITEM IV—PUBLIC COMMENT

Chair Daly:

That brings us to the next agenda item, our second period of public comment. We will start in Carson City.

Eddie Ableser, Doral Academy of Northern Nevada:

Thank you, Chair and Members of the Legislative Sunset Subcommittee. I am speaking to you today on behalf of the Doral Academy of Northern Nevada Foundation. I am a Board Member who has proudly served our community in providing the highest quality of education for many of the students throughout this region. I do believe that the questions you have had Mister Chair or are insightful, but perhaps needing more information to help construct a fuller view of what is really actually happening. I have spoken and reached out to many of the building trade union members and talk to them about that. At the end of the day, it is just undoable without the equitable funding for facilities. Public traditional neighborhood students get about 35 percent more than a public charter school student. Many of these schools have to take their money out of their distributive school account (DSA) or per pupil and put that towards rent or lease to make sure there is a building for these students to go to.

As Chair Mackedon has expressed, these public charter schools reveal a very unique pedagogical implementation in our State that many of our traditional districts do not even offer. True unique pedagogies that teach a student the way their unique learning style needs versus a one-size-fits-all in many of our traditional districts that tend to offer a singular pedagogical approach. We think these types of efforts are really valuable based on the metrics. Hearing you talk about the reference to Gladiator and Rome; I would ask to take a look at the data. We are showing that many of these public charter schools are serving more students with disabilities per capita than their traditional districts because the parents are begging for that one-on-one approach that the public charter schools are providing for their student with a disability. That is behavioral disorders as well. I think it is more than it was intended to be, and it is something that you and your Members should be really proud of in the construction of a really tremendous program that aligns with the oversight and transparency that the Authority brings.

They have closed down schools. I think that is a testament to the job they have done. If you are not serving children, and you are not doing it the right way, your school should be closed. I think it adds in value to the districts, it reduces the overcrowding in many of our districts, and helps provide unique pedagogical approaches. That school you talked about that is going in the North Valleys is predominantly, I think over 99 percent a Hispanic Latino school that has English as a second language in their home. It is not just free and reduced lunch, almost the entire school is low-income on the variety of certified community programs. It is truly intended for what you guys wanted. As you have mentioned, the Washoe County School District has made comments pushing back on the implementation of that school, even though it is serving the intent of what the Legislature and the neediest population in the North Valleys of Washoe. I appreciate your questions. We are hoping we can provide more information that can help understand, the building trade unions can come to the table, and maybe the State can rectify the inequity by fixing that 35 percent gap where public charter school students do not receive from what the traditional districts do. Thank you for your time.

Chair Daly:

Thank you. Anyone else in Carson City? Seeing none. Anyone in the Grant Sawyer Building? Seeing none. Broadcast, is anyone on the phone lines wishing to offer public comment?

BPS:

If you would like to offer public comment, please press *9 now to take your place in the queue.

Ignacio Prado, Previously Identified:

I wanted to reiterate my earlier point that this venue seems forced or inappropriate. I, frankly, do not believe that—I understand the Sunset Subcommittee does not always sunset agencies or conduct a review. However, my view of what happened over the last few hours is that it was also adversarial at times. Aspersions may have been made of the way the charter school operators function as schools, maybe implied that certain general practices are occurring even if isolated instances could be found, are not generally what is happening. As a charter school operator, someone comes to my building at 6:30 a.m. every single day to make sure we do things the right way. I assure you most of us are eager to follow the law. There are many mandates we have to follow. On the compliance side alone, we have 196 deliverables just on compliance. The SPCSA makes sure we are in compliance with many of the statutes which are found in our charter specific statutes in some cases,

but in many cases, they are found in the broader overall statutes. One point of direction I would offer is you cannot simply look at the charter school statutes to see what we are subject to. Because in many cases, part of the parenthetical listing of entities that are subject to certain rules around discipline, attendance, safety, emergency operations, et cetera are going to be found in the general statutes which are going to list school districts, university schools, and charter schools as schools that are subject to the same rules and regulations.

I do hope we have an opportunity to gather some notes, Melissa Mackedon has an opportunity to gather some notes. I would invite you to contact the Charter School Association and give us the same opportunity to give you insight as to what our practices are as it appears to have been gathered from adverse parties. Certainly, I personally invite you to reach out if necessary. I believe, as with all things, there may be places where we have fallen short and can use feedback. Generally speaking, some of the practices that were ascribed to our schools today, I feel are unfair. They are not what is written in the statute and most of us are following the statute to the best of our abilities. I implore you to reach out to folks in the charter school sector to get some insight as well. Thank you.

Chair Daly:

Thank you. Broadcast, any other callers?

BPS:

There are no other callers wishing to offer public comment at this time.

Chair Daly:

Thank you everybody. I know you took notes. We will get Mr. Guinan to send those questions as well. If there are any additional questions from the Subcommittee, please send them through our Policy Analyst, and we will get them to the SPCSA or any of the other groups today.

The following written public comments were received for the record:

- Kate Martin, M.D., MEd, MBA, MPH, Associate Dean for GME and DIO, Professor of Family and Community Medicine, Kirk Kerkorian School of Medicine, UNLV ([Agenda Item IV A](#))
- Julie Pazina, Senator, District 12 ([Agenda Item IV B](#))
- Andrew Priest, Ed.D., PT, Campus President and Provost, Touro University Nevada ([Agenda Item IV C](#))
- Marilyn Lim-Carreon, Campus Director, Unitek College; Board Chair, Nevada Association of Career Colleges ([Agenda Item IV D](#))
- Rachelle Hulet, Executive Director, Amplus Academy

AGENDA ITEM V—ADJOURNMENT

There being no further business to come before the Subcommittee, the meeting was adjourned at 11:47 a.m.

Respectfully submitted,

Maria Velazquez
Research Policy Assistant

Patrick Guinan
Chief Principal Policy Analyst

APPROVED BY:

Senator Skip Daly, Chair

Date: _____

MEETING MATERIALS

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item III A-1	Brian Mitchell, Director, Office of Science, Innovation and Technology (OSIT), Office of the Governor	Background Information
Agenda Item III A-2	Brian Mitchell, Director, OSIT, Office of the Governor	2024 Sunset Review Form
Agenda Item III B-1	Kelly D. Wuest, Commission Administrator, Ex Officio, Commission on Postsecondary Education (CPE), Department of Employment, Training, and Rehabilitation (DETR)	Background Information
Agenda Item III B-2	Kelly D. Wuest, Commission Administrator, Ex Officio, CPE, DETR	2024 Sunset Review Form
Agenda Item III B-3	Kelly D. Wuest, Commission Administrator, Ex Officio, CPE, DETR	Supporting Documentation
Agenda Item III C-1	Hank Vogler, Chair, Nevada Rangeland Resources Commission (NRRC) Rachel Buzzetti, Executive Director, NRRC	Background Information
Agenda Item III C-2	Hank Vogler, Chair, NRRC Rachel Buzzetti, Executive Director, NRRC	2024 Sunset Review Form
Agenda Item III C-3	Hank Vogler, Chair, NRRC Rachel Buzzetti, Executive Director, NRRC	Supporting Documentation
Agenda Item III D-1	Melissa Mackedon, Executive Director, State Public Charter School Authority (SPCSA)	Background Information

AGENDA ITEM	PRESENTER/ENTITY	DESCRIPTION
Agenda Item III D-2	Melissa Mackedon, Executive Director, SPCSA	2024 Sunset Review Form
Agenda Item III D-3	Melissa Mackedon, Executive Director, SPCSA	PowerPoint Presentation
Agenda Item III D-4	Melissa Mackedon, Executive Director, SPCSA	Supporting Documentation This is on file in the Research Library of the LCB, Carson City, Nevada. For copies, contact the Library at (775) 684-6825
Agenda Item IV A	Kate Martin, M.D., MED, MBA, MPH, Associate Dean for Graduate Medical Education & DIO, Professor of Family and Community Medicine, Kirk Kerkorian School of Medicine, University of Nevada, Las Vegas	Written Public Comment
Agenda Item IV B	Julie Pazina, Senator, District 12	Written Public Comment
Agenda Item IV C	Andrew Priest, Ed.D., Campus President and Provost, Touro University Nevada	Written Public Comment
Agenda Item IV D	Marilyn Lim-Carreon, Campus Director, Unitek College, Board Chair; Nevada Association of Career Colleges	Written Public Comment
Agenda Item IV E	Rachelle Hulet, Executive Director, Amplus Academy	Written Public Comment

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