

**NEVADA DEPARTMENT OF EDUCATION
COMMISSION ON SCHOOL FUNDING
APRIL 9, 2021
9:00 A.M.**

Meeting Location

Due to the circumstances created by the COVID-19 pandemic, the Commission on School Funding met via videoconference. In accordance with Governor Sisolak's State of Emergency Directive 006, Section 1, no physical location was designated for this meeting. The meeting was livestreamed on the Nevada Department of Education's (NDE) website.

SUMMARY MINUTES OF THE COMMISSION MEETING

COMMISSION MEMBERS PRESENT

Via Videoconference

Dusty Casey
Andrew J. Feuling
Jason Goudie
Guy Hobbs
Paul Johnson
Mark Mathers
Punam Mathur
Dr. R. Karlene McCormick-Lee
Jim McIntosh

DEPARTMENT STAFF PRESENT

Via Videoconference

Heidi Haartz, Deputy Superintendent for Business and Support Services
Jessica Todtman, Chief Strategy Officer
James Kirkpatrick, Administrative Services Officer III
Beau Bennett, Management Analyst IV
Megan Peterson, Management Analyst III

LEGAL STAFF PRESENT

Via Videoconference

Greg Ott, Deputy Attorney General

PRESENTERS:

Dr. Eugenia Lamore, President, Ekay Economic Consultants, Inc.
Dr. Kristen McNeill, Superintendent, Washoe County School District

SUBJECT MATTER EXPERTS PRESENT:

Via Videoconference

Jeremy Aguero, Applied Analysis

AUDIENCE IN ATTENDANCE

Via Videoconference

1: CALL TO ORDER; ROLL CALL

Meeting called to order at 9:02 A.M. by Commission Chair R. Karlene McCormick-Lee. Quorum was established.

2: PUBLIC COMMENT #1

Kristen De Haan submitted public comment regarding Senate Bill (SB) 543 and the cost of living in Washoe County. *(A complete copy of the statement is available in Appendix A)*

Ryan D. Russell and Robert M. Salyer of Allison MacKenzie Attorneys & Counselors at Law submitted public comment on behalf of some school districts regarding the Pupil-Centered Funding Plan (PCFP). *(A complete copy of the statement is available in Appendix A)*

The Nevada State Education Association submitted public comment regarding the PCFP. *(A complete copy of the statement is available in Appendix A)*

Rachel Fisher submitted public comment regarding SB 543 and the cost of living in Washoe County. *(A complete copy of the statement is available in Appendix A)*

Beth Martin submitted public comment regarding SB 543 and the cost of living in Washoe County. *(A complete copy of the statement is available in Appendix A)*

John Vellardita, Executive Director of the Clark County Education Association, submitted public comment regarding the PCFP. *(A complete copy of the statement is available in Appendix A)*

Cyndi Barnett submitted public comment regarding SB 543 and the cost of living in Washoe County. *(A complete copy of the statement is available in Appendix A)*

Elizabeth Cadigan submitted public comment regarding SB 543 and the cost of living in Washoe County. *(A complete copy of the statement is available in Appendix A)*

Educate Nevada Now submitted public comment regarding recommendations for optimal funding under the PCFP. *(A complete copy of the statement is available in Appendix A)*

3: APPROVAL OF COMMISSION MEETING MINUTES

Member Punam Mathur moved to approve the March 4-5, 2021 Commission minutes. Member Paul Johnson seconded. Motion passed.

4: NEVADA DEPARTMENT OF EDUCATION UPDATE

Heidi Haartz, Deputy Superintendent for Business and Support Services, provided an update to the Commission regarding the work of the Nevada Department of Education (NDE or the Department) since the March Commission meeting.

The Commission requested updated tax revenue projections for each school district; the Department received those projections from the Department of Taxation, and they are pending analysis. The Department has continued to draft the business rules which would regulate how funding is allocated within the PCFP, including how payments are processed and reporting requirements are supported.

Certain elements of the Department's work are on pause as the Legislature determines whether to move forward with phased or full implementation of the PCFP. Deputy Superintendent Haartz emphasized that the majority of the Department's work has been dedicated to supporting the Legislature as they determine and close budget accounts.

5: LEGISLATIVE UPDATE REGARDING THE IMPLEMENTATION OF THE PUPIL-CENTERED FUNDING PLAN

Heidi Haartz, Deputy Superintendent for Business and Support Services, and Jeremy Aguero, Applied Analysis, conducted a PowerPoint presentation regarding [Legislation and the PCFP](#).

Vice Chair Guy Hobbs asked whether summaries of the information provided to the Legislature regarding the PCFP and implementation were available; Deputy Superintendent Haartz offered to provide those summaries after the meeting. Vice Chair Hobbs asked Mr. Aguero what he would change about the PCFP if he could change anything. Mr. Aguero responded that a more specific process moving forward, which detailed how changes would be supported by analysis and evaluated over time, would be ideal. Vice Chair Hobbs and Member Jason Goudie agreed.

Member Goudie emphasized that the Commission unanimously recommended moving forward with full implementation of the PCFP, subject to the recommendations the Commission had made. The Commission's recommendation did not include adjustments for inflation to the hold harmless provision. Deputy Superintendent Haartz noted that options are being considered to address the variance that exists between the amount of revenue available for allocation to the PCFP and the hold harmless for districts; one option would be to identify other sources of revenue. Mr. Aguero added that analyzing how the model will work when funding is reduced will need to be studied over time. Member Johnson requested clarification regarding end fund balances and exemptions; Deputy Superintendent Haartz responded that this calculation was currently under review.

Deputy Superintendent Haartz, responding to a question from Member Mark Mathers regarding funding shortages, noted that the Governor's proposed budget included \$150 million in cuts to the general fund; the State education funding account includes addition revenues beyond the general fund, thus leaving the PCFP \$127 million short of being fully funded. Member Mathers asked about the role of charter schools in this funding deficit; Mr. Aguero noted that whether charters are included under the hold harmless provision does impact the distribution mechanics of the PCFP, and further review would be necessary. Member Mathers asked whether it would be appropriate for the Commission to provide comment to the Legislature regarding categorical grants and expressed that he felt they were moving away from the original purpose of the PCFP. Chair McCormick-Lee noted that the PCFP cannot be easily compared to the Nevada Plan and its system of categorical grants; it is a complete redesign of the funding model to ensure that dollars flow equitably and transparently, and provides districts with greater flexibility to make programmatic funding decisions.

Member Dusty Casey asked for clarification regarding the hold harmless and budget reductions. Deputy Superintendent Haartz responded that if there is a reduction in funding, a proportional adjustment would be applied to the base per-pupil and weighted funding amounts; however, even if there is a reduction, the hold harmless would remain in effect. Vice Chair Hobbs asked whether federal funding could be used to support deficits; Mr. Aguero noted that further guidance regarding the use of federal funds is necessary.

Chair McCormick-Lee summarized that further discussion would be needed regarding the hold harmless, ending fund balances, categorical funding, and the use of federal funds. She also noted that the Legislature has asked that the Commission address transportation and food service in the future.

6: INDEPENDENT ANALYSIS OF THE REGIONAL COST ADJUSTMENT INCLUDED IN THE NEVADA COST OF EDUCATION INDEX

Dr. Kristen McNeill, Superintendent, Washoe County School District, and Dr. Eugenia Lamore, Founder and President, Ekay Economic Consultants, Inc. conducted a PowerPoint presentation regarding [Regional Cost Adjustment](#) and provided a [supporting report](#).

Chair McCormick-Lee summarized that the recommendation was to remove the floor of the Nevada Cost of Education Index (NCEI), which had been recommended by the Commission previously, and instead place all districts to a multiplier of one until a different cost of living methodology could be developed. Dr. McNeill expressed that the current regional cost factor is not accurate and should not be moved forward; only the parts of the formula that are accurate should move forward, which would require correcting the cost adjustment formula.

Member Andrew Feuling noted that Carson City consisted of a majority of residents employed in government services, who make less than their private sector counterparts. He expressed concern that Carson City's cost adjustment formula may be skewed as it does not take these factors into account; he asked whether the proposed method would be easier for the public to understand, which Dr. Lamore affirmed. Vice Chair Hobbs supported Dr. Lamore collaborating with APA Consulting to develop a model; Member Goudie stated he would like to refine further, but not stray from the NCEI.

Member Casey asked about blending metrics and noted that many of his concerns were with data size and arbitrary floors that diminish the impact of the metric; he supported the presented recommendation. Member Paul Johnson expressed hesitations with a comparable wage index (CWI) as regional factors are critical. However, he noted that the Commission had previously made a recommendation on this topic and making another recommendation sets a precedent for how they move forward. Member Mathers stated that they should reconsider earlier decisions, and that a motion should include a timeline for reviewing the decision.

Member Feuling moved that the Commission reconsider or rescind their initial support of the NCEI for the implementation of the PCFP and the recommendation that every district be set to zero until further study may be completed. Member Casey seconded. Member Johnson asked that this motion include a request that further study be directed to the relevant professionals for return to the Commission for resolution.

Member Punam Mathur expressed that there is a precedent set if the Commission recommends maintaining the status quo until something better is found; while she liked the idea, she did not like the precedent and wondered if there was an alternative to the recommendation. Chair McCormick-Lee asked to revisit this element of the conversation. Member Jim McIntosh agreed with concerns regarding this precedent. While he agreed that this needed further exploration, he supported maintaining that status quo until a clear resolution has been determined.

Chair McCormick-Lee called the motion to a vote: Members Casey, Feuling, Johnson, and Mathers voted in favor; Members Goudie, Hobbs, Mathur, McIntosh, and McCormick-Lee voted against. Motion failed.

[Convenience Break]

7: RECOMMENDATIONS FOR POTENTIAL REVENUE SOURCES FOR OPTIMAL EDUCATION FUNDING

Vice Chair Guy Hobbs and Member Paul Johnson facilitated a discussion regarding potential revenue sources for optimal education funding; the [summary](#) of the Commission's discussions to date is drafted for discussion under agenda item 8.

Vice Chair Hobbs stated that he, Member Johnson, and Mr. Aguero had worked together to identify revenue sources for advancing to adequate or optimal levels based on the principles of revenue sources prioritized by the Commission and with a focus on existing tax structures, with property and sales taxes highlighted for revenue reforms. They reviewed current per-pupil expenditures within Nevada and nationally, comparing these to recommended targets and inflating them over the ten-year funding period noted in SB 543. A plan was developed for a ten-year and an eight-year funding schedule.

Vice Chair Hobbs focused on property taxes, and noted that the following opportunities for refinement and recommendations:

- Abatement accrual and capping;
- Phasing or eliminating abatements;
- Capping or eliminating depreciation;
- Modernize [property] assessments to address static depreciation;
- Migrate away from [property] assessments that rely upon improvement replacement values rather than market values; and
- Rate of property tax, currently capped at \$3.66.

Vice Chair Hobbs noted that abatement reform would make up approximately half of optimal funding needs, and he believed that the listed measures have the combined capacity to meet the majority of funding needs.

Regarding sales tax, Vice Chair Hobbs noted that next steps and recommendations would include:

- Reviewing all existing sales tax exemptions for appropriateness;
- Review items excluded from sales tax and segregate as discretionary and non-discretionary; and
- Extend sales tax to digitally downloaded goods.

Member Mathur asked if all abatements were functionally the same; Vice Chair Hobbs responded that abatement amounts are highly specific. When asked for his expert opinion, Vice Chair Hobbs supported diversification and pursuit of both sales and property tax revenues. Member McIntosh stated that the tax system in Nevada needs both review and modernization.

Member Feuling confirmed that the draft document would be developed into a status report and submitted to the Governor and Legislature. Member Mathers asked if a recommendation would be made regarding the balance of financial health and resources between school districts and other local governments.

Chair McCormick-Lee stated that any increase in taxes may harm those at or below the poverty level, which is why several potential scenarios should be presented. Member Johnson felt that abatements should be phased out over time. Member Mathur asked if the Commission could provide preliminary recommendations rather than a status update to the Legislature and Governor.

8: DISCUSSION REGARDING OPTIMAL EDUCATION FUNDING

Commission Chair R. Karlene McCormick-Lee facilitated a discussion regarding optimal education funding, including review of the [Draft Preliminary Optimal Funding Recommendations](#).

Vice Chair Hobbs stated that these recommendations establish targets and introduce concepts related to funding; it would need further refinement to provide specific recommendations which will not be possible until after the conclusion of the Legislative Session. Member Feuling stated that current recommendations reach adequate, rather than optimal, funding. Member Mathur noted that the document referred to average and adequate in various places and asked which term they would use. The Commission determined to use adequate as a term defined by the dollar amount boundaries of the national average at the lower end and the APA study at the upper end. Chair McCormick-Lee recapped edits to be made to the document.

Member Mathur moved to approve the Preliminary Optimal Funding Recommendations, upon its revision and final review by Commission members. At the recommendation of Chief Deputy Attorney General Greg Ott, Member Mathur **amended her motion to approve upon the completion of revisions discussed during the meeting.** Member Johnson seconded. Motion passed.

9: FUTURE AGENDA ITEMS

Chair McCormick-Lee recapped future agenda items, which included the hold harmless – including elements such as charter schools, inflation, phasing, etc. – as well as end fund balances, categorical funding, cost adjustment factors, and optimal funding. Deputy Superintendent Haartz noted that the Commission had also requested an update regarding the use of COVID-19 federal relief funds for education.

Member Mathers asked to discuss conversations on which the Commission might consider as the Legislative Session continues, including items such as the development of an additional weight related to literacy.

10: PUBLIC COMMENT #2

No public comment.

11: ADJOURNMENT

Meeting adjourned at 2:17 P.M.

Appendix A: Statements Given During Public Comment

1. Kristen De Haan submitted public comment regarding SB 543 and the cost of living in Washoe County.
2. Ryan D. Russell and Robert M. Salyer, Allison MacKenzie Attorneys & Counselors at Law, submitted public comment regarding the PCFP.
3. The Nevada State Education Association submitted public comment regarding the PCFP.
4. Rachel Fisher submitted public comment regarding SB 543 and the cost of living in Washoe County.
5. Beth Martin submitted public comment regarding SB 543 and the cost of living in Washoe County.
6. John Vellardita, Executive Director of the Clark County Education Association, submitted public comment regarding the PCFP.
7. Cyndi Barnett submitted public comment regarding SB 543 and the cost of living in Washoe County.
8. Elizabeth Cadigan submitted public comment regarding SB 543 and the cost of living in Washoe County.
9. Educate Nevada Now submitted public comment regarding recommendations for optimal funding under the PCFP.

Item A1, Kristen De Haan

Hello,

I am writing to you this today about SB543, actually I am writing to you about the cost of living calculation that was used for Washoe County in SB543. As both a parent and a community member, I am concerned with your findings because the cost of living in Washoe is not low. The cost to rent a house or an apartment is astronomical for most people as compared to their income. It is definitely not as low as was found in the calculation used for SB543.

There have been several reports that state the cost of living in Washoe is actually among the highest in the state. The current calculation would keep Washoe County in a hold harmless state for multiple years. This will, in fact, do more harm to our already underfunded education system in Nevada. Washoe County, as well as every other county in Nevada deserves a well-funded public education system. Well-funded education benefits every person in our state.

Thank you for taking the time to reconsider the cost of living calculation for Washoe County in SB543.
Respectfully,

Kristen De Haan
Parent and Community member of Washoe County

Item A2, Ryan D. Russell, Esq. and Robert M. Salyer

Madam Chair and Members of the Commission on School Funding:

We represent the following county school districts and their respective superintendents: Elko, Esmeralda, Eureka, Storey, Douglas, Pershing, Lander, Lyon, Lincoln and Carson City.

At every opportunity, we have attempted to bring our concerns to the Commission on School Funding regarding the implementation of SB 543 and the Pupil-Centered Funding Plan (“PCFP”) and continue to do so now. We are now in the midst of the 2021 Legislative Session and the implementation deadline of July 1, 2021 is looming before us. To that end, we believe we must repeat our continued refrain to the Commission that the PCFP is not ripe for implementation.

We are aware that the Commission has provided several recommendations to the Legislative Committees on Education. As you know, Governor Sisolak has recommended a phased implementation of the PCFP in his proposed budget that was submitted to the Legislature. We are in support of the spirit of the Governor’s proposed phased implementation as it addresses and attempts to rectify the significant fiscal impact caused by the Covid-19 pandemic. It also acknowledges that the PCFP is not yet ripe for full implementation. While we believe that phased implementation is a step in the right direction, it ultimately removes any benefit the PCFP would bestow upon any school district in the state. The phased-in approach would require school districts to be locked into their hold harmless numbers from the 2019-2021 biennium, which would be catastrophic for some districts.

In addition to the varied impacts of the Covid-19 pandemic, the school districts have voiced concerns as they relate to the uncertainty of the budgeting process. There appears to be a lack of consistency and clarity in the budgeting process and how it will work in the future under either the PCFP or phased implementation. This puts the school districts at an immediate and future disadvantage in properly budgeting for their needs. Thus, a full delay of implementation is necessary until the Commission is able to provide more certainty in the budgeting process.

While the Legislature has yet to address the phased implementation of the PCFP during the session, we understand that a bill is forthcoming that will rectify some of our concerns. We would implore the Commission to be involved in the process of analyzing and vetting this upcoming legislation. As such, we request this Commission retract its recommendation to the Legislative Committees on Education and the Governor’s Budget Office to fully implement the PCFP for the upcoming 2021-2023 biennium and replace it with a recommendation to instead maintain the status quo through the 2023-2025 biennium.

As always, we appreciate the Commission’s continued time and effort to implement the PCFP and are always available for discussions, questions, or comments.

Sincerely,

Ryan D. Russell, Esq. Robert M. Salyer, Esq.

Item A3, Nevada State Education Association

The Nevada State Education Association has been the voice of Nevada educators for over 120 years.

Since the introduction of SB543 two years ago, NSEA has expressed policy concerns at every opportunity—the lack of educator voice; no new revenue; watering down Zoom and Victory schools; freezing and squeezing school district budgets; a giveaway to charter schools; and undoing the rules of collective bargaining.

Let's be real. Nevada ranks near the bottom of states in education funding. The new school funding plan without new and ongoing revenue feels a lot like rearranging deck chairs on the Titanic. NSEA maintains it is bad policy to effectuate a seismic shift in the state's education funding formula during the COVID-19 crisis, especially as further general fund cuts are proposed for our schools. But as the legislature seems compelled to move forward at this time, NSEA has presented three changes to ensure the new plan does significantly less harm to Nevada's students and educators.

First, grandfather existing Zoom and Victory Schools, located in Nevada's poorest communities, serving the highest percentage of at-risk students, and proven models of education equity. With the shift away from a school-based approach, Zoom and Victory schools will have their budgets reduced and lose significant momentum on school climate and culture, jeopardizing gains made for students in our most impacted schools and communities. Some good news is CCSD is looking to backfill any shortfalls to these programs— a de facto grandfathering. Given this move, it makes little sense to not grandfather Zoom and Victory in the formula.

Second, hold districts truly harmless by using the greater of 2020 total budget or per-pupil amount by district, adjusted by the inflationary costs of doing business. Modeling the new funding plan showed most districts would end up with frozen budgets for years. This means growing districts like Nye or Storey County could have a serious reduction in their per-pupil funding level. Also, without inflationary increases to revenues, districts under hold harmless would have to shift funds away from classrooms to cover increasing fixed costs like utilities, healthcare, and step increases. Budget discussions this week make clear there is strong support for this direction in the legislature.

Finally, remove anti-union language that increases the district ending fund balance walled off from collective bargaining to 16.6%, to preserve the collective bargaining process. One of the most serious unintended consequences of SB543 was the impact this provision would have when coupled with another provision sweeping district ending fund balance over 16.6%. Taken together, education unions would be unable to negotiate over any item with a cost, like salaries and benefits and proposals for worker and school safety. This would adversely impact our educator shortage and would jeopardize labor peace in Nevada. It is sad this issue has received so little discussion at this Commission. We believe this is directly related to the lack of educator representation on the Funding Commission.

Item A4, Rachel Fisher

Dear Commissioners on School Funding,

I am an educator and concerned community member of Washoe County writing in regard to funding formula SB543 and the cost of living calculation that was done for Washoe.

The cost of living in Washoe is NOT as low as was found in the calculation. The cost of living in parts of Washoe are the highest in the state, even more so than Clark County which is much larger in size and population. As reported in the Reno Gazette Journal, "Reno was named the 21st least affordable city among the 100 biggest metro areas in the country in the latest housing analysis released by real estate listing site RealtyHop. The study cited the high price of housing in the Reno-Sparks metro in relation to household incomes in the area."

The current calculation would have our schools in a hold harmless state for multiple years which will do incredible harm to our already underfunded education system in Nevada.

Thank you for taking the time to reconsider the cost of living calculation for Washoe County included in SB543 and the harm that applying this funding formula with such an inaccuracy would have on our schools and children.

Respectfully,
Rachel Fisher
Elementary Educator and Reno Resident

Reno Gazette Journal: Reno among least affordable cities in U.S.
<https://www.rgj.com/story/news/money/business/2021/03/29/reno-among-least-affordablecities-country-housing-analysis/7050713002/>

Item A5, Beth Martin

I am writing to you regarding SB543, more specifically the cost of living calculation that was done for Washoe County.

I am a concerned parent and community member regarding your findings because cost of living in Washoe is not as low as was found in the calculation. It has actually been stated that cost of living in Washoe is one of the highest in the state. I am hoping that this is something that can be revisited and discussed in your meeting tomorrow April 9, 2021. The current calculation would have us in a hold harmless state for multiple years which will in fact do more harm to our already underfunded education system in the state. I believe strongly in a well funded public education system because it benefits everyone in our state.

Thank you for taking the time to reconsider the cost of living calculation for Washoe County in SB543.

Respectfully,

Beth Martin
Parent and Community member of Washoe County

Item A6, John Vellardita

Re: Public Comment for April 9, 2021 SB543 Commission Meeting

SB 543 Commission Members:

We are pleased that Legislative Leadership and the Governor are proceeding with implementation of SB543 and walked away from the Governor's initial phased in proposal. Today the Commission will receive a report on decisions that the Legislature will have to make in regards to the implementation of the Pupil Centered Funding Plan. It is clear that legislators need more of an understanding of the new funding plan. We want to point out that Superintendent Ebert offered a very effective definition of the hold harmless concept and what it means in terms of implementation when there was questions by lawmakers at their subcommittee meeting. We believe lawmakers will need more information. Accordingly, we have recommended that a presentation to legislators from the Commission be done to enhance their understanding when they make their decisions regarding implementation.

In addition, your recommendations on two very important issues dealing with optimal funding and potential revenue sources will be critical for legislators to hear. We encourage you to continue that work and conclude with recommendations soon. We believe the strength of the Commission's work to date is that you have stayed policy centric in your charge. Maintaining that approach and making recommendations on those issues can help Legislators and the Governor make sound policy decisions not political ones when it comes to Nevada's k-12 education system.

Finally, we believe that as we get close to the month of May the economic forecasts will improve. In May, the Economic Forum will meet with new revenue projections where we will see our economy making quicker recovery than initially forecasted and Legislators will have a better idea on how one time federal dollars can be used to fund our k-12 delivery system. Though those two developments will be very helpful we believe that this Legislative Session will have to have a discussion and act on new revenue for our k-12 system. In closing let me state once again, that CCEA supports the work of the Commission and full implementation of SB543.

Respectfully,

John Vellardita, Executive Director
Clark County Education Association (CCEA)

Item A7, Cyndi Barnett

Hello,

I am writing to you regarding SB543, more specifically the cost of living calculation that was done for Washoe County. I am a concerned parent and community member regarding your findings because cost of living in Washoe is not as low as was found in the calculation. It has actually been stated that cost of living in Washoe is one of the highest in the state. Housing costs are huge factor in this. The current calculation would have us in a hold harmless state for multiple years which will in fact do more harm to our already underfunded education system in Nevada. I believe strongly in a well funded public education system as it benefits everyone in our state. Thank you for taking the time to reconsider the cost of living calculation for Washoe County in SB543.

Warmest Regards,
Cyndi Barnett

Item A8, Elizabeth Cadigan

Good Morning,

I am writing to you regarding SB543, more specifically the cost of living calculation that was done for Washoe County. The cost of living in Washoe is not as low as was found in the calculation- It has been stated that cost of living in Washoe is one of the highest in the state. The current calculation would put Washoe County in a hold harmless situation for multiple years which as a result, will do more harm to our already underfunded education system in Nevada. I believe strongly in a well funded public education system as it benefits everyone in our state. As a concerned educator and community member, I urge you to reconsider this calculation.

Respectfully,

Elizabeth Cadigan

Teacher and Community member of Washoe County

Item A9, Educate Nevada Now

Dear Chairwoman McCormick-Lee and members of the Commission,

Thank you for the opportunity to provide comment on behalf of Educate Nevada Now. We want to start off by thanking you all for your hard work and diligence in working to get the new Pupil-Centered Funding Plan right. Although there is still much left to be done, we appreciate seeing the process thoughtfully move along.

One area of urgency is officially recommending funding benchmarks and a plan to reach these milestones. With the 81st Legislative Session well underway, we urge the Commission to officially adopt recommendations soon, so we do not end this session without this critical discussion. We understand the difficult political climate in the midst of a pandemic and corresponding recession, but it is because of that situation that we need to start this conversation sooner rather than later.

While we may get much needed support from federal funds, we need to start planning now to avoid a fiscal cliff once these funds expire. K-12 federal aid cannot replace the state's constitutional obligation to provide for a quality education system and should not be relied upon to support ongoing essential resources. We need a plan now to avoid pulling the carpet from beneath our students and educators when the funds expire.

ENN has signed the Empower Nevada's Future pledge, which urges lawmakers to provide schools with a least the national average in K-12 per pupil funding within the next ten years. As such, we are excited to hear the proposed plan today and support the recommendations going forward.

Our schools have been making due with so little and we have seen the long-lasting effects in our national rankings, student achievement scores and the lack of a prepared workforce. This Commission has the power to provide one step towards changing that, and we are committed to help usher a well-rounded funding plan along. Thank you.