



March 15, 2017

Senator Moises Denis
Chair, Senate Committee on Education
Nevada Legislature, 79th Session

Re: Senate Bill 178

Dear Senator Denis and Committee Members,

SB 178 proposes to replace SB508 (2015) and put in place a schedule to phase in weights for special student populations that were identified in the work of the bipartisan K-12 Funding Task Force (2014) chaired by Senator Denis. (<http://www.leg.state.nv.us/Division/Research/Publications/InterimReports/2015/Bulletin15-05.pdf>).

SB178, the 2014 K-12 Funding Task Force, and SB 508 (2015) share similar goals: 1) Modernizing the Nevada Plan; and 2) Implementing weighted funding, and 3) provid[ing] “resources to meet the unique needs of certain categories ... of pupils.” SB 508, Sec 4(2).

We support the path towards a weighted funding formula laid out in SB178. However, we fear that adding unfunded weights to an underfunded base will not bring about the change we are all seeking, supporting each student fully, and seeing increases in student achievement for all populations. Please consider the following as you craft this important bill:

1. SB 178 should lay out a path to weights (or additional per pupil allocations) that fully support the needs of educating all kids.

SB508 from last session established that certain students require additional resources to succeed. Special education students, English Language Learners (ELL) and students in poverty (FRL) may need additional help and services to meet and exceed the state’s standards and assessments. Gifted and Academically Talented (GATE) students, which are recognized by SB508 merit support, because of their talent. Educating these special groups is critical the success of Nevada’s education system. We support weights, or additional per pupil allocations, for these students, which benefits general ed students as well because more funds become available for general education as we move towards fully funding weights.

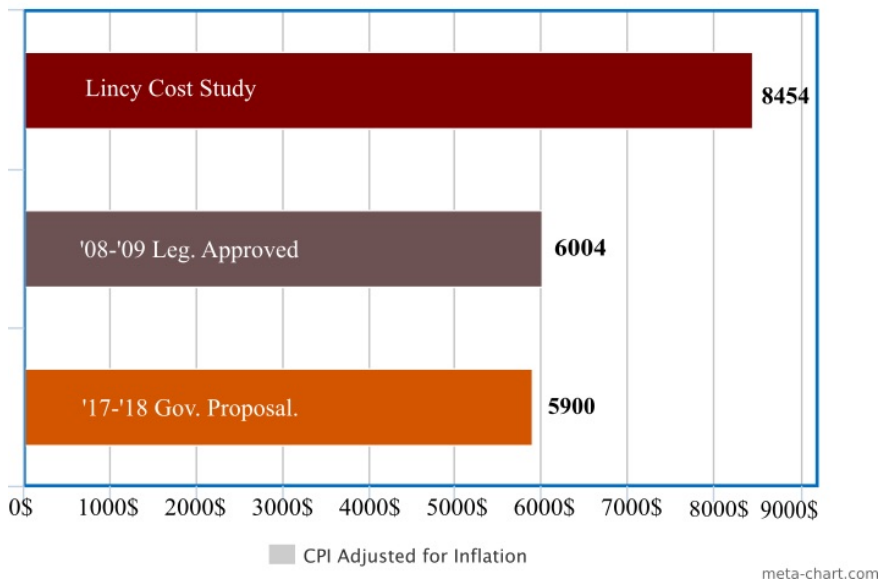
SB178 is moving in the right direction, because it is establishing weights and focuses on students needs. But the question is “of what base”? Should we use the outmoded Nevada Plan’s revenue-based per student \$ base amount? That would continue the inequities of the archaic Nevada Plan. Rather, we believe that weights should be instituted against the backdrop of a modern, cost-based funding formula that focuses on the needs of kids, as SB508 states. The current approach under SB508, as proposed by the Superintendent of Education, is to continue a cleaned up version of the Nevada Plan, which is revenue based, and based on a cost model that does not take into account modern expectations of student achievement. See http://www.educatenevadanow.com/wp-content/uploads/2016/07/Report-of-Per-Pupil-Expenditures_Canavero_09.2016-2-1.pdf

Without re-evaluating the “base cost” of educating a Nevada student, the weights will not be based on the actual cost of educating students. Please consider an approach that really fixes school finance for all kids, for all school districts, and for Nevada’s future.

For a weighted funding formula to be successful, the formula must be based on the amount necessary to ensure all students have access to resources to meet state standards in student achievement. Without a base cost derived from the actual cost of educating all students, any “weights” for special needs and at-risk students will be insufficient.

In the last decade, the Legislature has made significant efforts towards considering a school finance formula that fully funds the needs of all students. First, the Legislature commissioned and paid for a cost study, see *Cost of an Adequate Education in Nevada*, conducted by Augenblich, Pailich and Associates in 2006, which was updated by the Lincy Institute in 2015, see http://digitalscholarship.unlv.edu/lincy_publications/20/. In 2013, the Legislature created bipartisan K-12 School Finance Task Force, and commissioned a study to just look at weights (See *Study of A New Method of Funding in Nevada*, American Institute for Research. http://www.air.org/sites/default/files/downloads/report/AIR_NV_Funding_Study_Sept2012_0.pdf)

Basic Support Per-Pupil



The conclusion of the Augenblich 2015-updated cost study is that Nevada should increase its base per the above chart. The recommended per pupil additional dollar allocation for ELL was roughly \$3000, and about the same for at risk students. In addition, Augenblich recommended pre-K for at-risk students.

2. SB178 should set a multi-session roadmap as to how the Legislature can fully fund education needs of all Nevadans.

The total cost of reaching a fully funded weighted formula is not set out in the bill; however, it will be substantial, as the above chart shows. ENN recommends the Legislature make an appropriation that will lead the way to fully funding the weights (or per pupil additional dollars). We note that Guinn Center has targeted programs that it believes are not providing ROI, so re-appropriating monies from these programs could be a source of additional monies for funding SB178 this session. *Examining Nevada's Education Initiatives, Which Initiatives Are Worth the Investment* (Feb. 2015).

Still, since the need is large it is unlikely that this Legislature can fully fund the weighted funding formula. SB178 also should set a roadmap as to how the Legislature will fully fund education needs. One legislature cannot bind another, but SB178 can at least set goals that one legislative session suggests for the next to follow.

Since the work of reformulating and providing funds for a school finance formula is complex, ENN recommends the drafters of SB178 consider an interim 2018 Blue Ribbon Commission to support SB178 statewide weighted formula, which 1) would review the base, 2) confirm weights/per pupil allocations for special populations calculated in SB178, and 3) formulate recommendations as to possible revenue sources.

3. SB 178 should ensure accountability for additional funds and set conditions on use of funds to drive investments to research-based and data-driven solutions.

As the Guinn Center for Policy Priorities notes, the state must “develop and implement a rigorous accountability plan” alongside a plan to implement weighted funding. WE AGREE!

SB178 should add a framework for accountability. The Legislature must be able to trace additional dollars to ensure that additional investments render ROI and lead to greater student achievement. States that have weighted funding formulas, attach conditions through regulation to ensure that those funds are not wasted and are driven by students needs. New Jersey, for example, has extensive regulatory regimes for “at risk”, ELL and special ed use of “weighted formula” funds.

4. As the state transitions to fully funded weighted Formula, SB178 should continue increased categorical investments, particularly in Clark County, that are targeted to special populations, eg Zoom and Victory, in order to have high accountability and ROI.

In Nevada, we have started the work of moving towards weighted funding through categorical programs, which direct dollars to these special populations, in high needs schools with very high ELL/FRL students and are performing at low level (one and two stars). This is smart, and is sound architecture that was part of the Governor's 2013 and 2015 education reforms, supported by both parties.

Gary Orfield from the UCLA Civil Rights Project has well-documented that the majority of at risk students are concentrated in schools that are located in working class neighborhoods, highly racially segregated, with teachers that are mostly inexperienced (see corroboration in NDE Equity Educator Report). Professor Orfield has shown that at a national level, the vast majority of these schools are poor performing, and Achievement School District's analysis shows that this is the case in Nevada, as well, particularly in CCSD where we have more than 150 schools with FRL close to, or over, 90%, heavily racially segregated, and with at least twice the national average of ELLs.

Bringing dramatic change to such schools is rightfully the challenge on which every state must focus. And this was the push of the ed reform of the last three session. If Nevada is able to turn around these poorly performing schools with very large at risk populations, it can make a significant gain in its national ranking. A recent Washington Post article summarizes important education research that concludes that ed reform investments with the highest ROI are targeted, highly-focused, research-based interventions with high accountability. (Washington Post, Radical Change for Struggling Schools? It's reliably doable March 7, 2017)

The Legislature wisely employed such a method of highly focused interventions with categorical funding in Zoom and Victory. NDE's recent third party assessment has shown significant ROI. ACS/UNLV/MYS, Nevada External Outcomes Evaluations (2017). This session offers the opportunity for the Legislature to continue to improve these categorical programs so that ROI can be even higher (eg providing incentives so that experienced teachers will remain at these crises schools, and focusing on introducing proper pedagogy and curriculum for long term ELLs in middle and high schools, per the CCSD ELL strategic plan).

The architecture of focused interventions per Zoom and Victory is sound, and should not be abandoned – at least for Clark County. Spreading out, between \$300-400 per pupil ELL or FRL additional weighted funds (that is a partial funding of the weights) that totals \$100,000-\$200,000 per school is not enough to get the job done Pursuing a weighted funding formula should not undermine the significant ed reform achievements of the last three legislative sessions. So these funds should remain in categorical funding where Legislature exercises oversight, directs monies to the right kind of interventions and can trace ROI.

The 2017 Legislature has the opportunity to begin the process and make the “down payment” towards a rational funding formula that takes into account the actual cost of educating Nevada children.

Respectfully submitted,

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