

Nevada legislators' bickering doesn't resolve K-12 budget gap

By Anne Knowles

CARSON CITY – The Nevada Assembly's meeting to debate and close the state's K-12 education budget ended in an acrimonious stalemate, with Assembly Republicans rallying behind Gov. Brian Sandoval's budget and Democrats arguing for smaller cuts to education.

"We've been told it's the governor's way or no way," said William Horne, D-Las Vegas, as he spoke in opposition to a motion by Assemblyman Pete Goicoechea, R-Eureka, to vote on eight elements of the governor's proposal. "I can't even call it a debate. We're not having the discussion. I'm disheartened by that."

"When I got elected I was clearly told to learn to live within your means," said Assemblyman Ira Hansen, R-Sparks, who added that Democrats were proposing to raise taxes without admitting to it.



John Ocegüera

In the end, after more than six hours of testimony and discussion, the Assembly retired without any action on the budget Tuesday night.

Toward the end, the debate became heated, with several Democratic members reprimanding Assemblyman Mark Sherwood, R-Henderson, for calling the process "a farce."

The education budget, like all department budgets, is normally presented to and closed by the Assembly's Ways and Means committee, but Assembly leadership announced last week it was taking the state's most important issues out of committee to the entire body so all legislators could have a say in the process.

"We've got some big decisions to make," Assembly Speaker John Ocegüera, D-Las Vegas, said to open the meeting. "This session we are deciding what kind of state we want to be."

Ocegüera said if the budget proposed by Sandoval stands, it would mean more than \$1 billion in cuts to K-12 education. Sandoval says the hit will be closer to \$600,000.

"Seventy percent of the cuts are in salary adjustments," said Heidi Gansert, Sandoval's chief of staff. She said the governor's budget treats education employees the same as state employees. The budget implements a salary freeze and 5 percent pay cut via furloughs as well as now requiring teachers to pony up one-quarter of the contribution made to their retirement through Public Employees Retirement System. (Other state employees pay 50 percent of the contribution.)

Personnel costs make up the bulk of school districts' costs – 90 percent of Washoe County's education budget goes to teachers, administrators and other school employees, for example – so teachers and teachers' salaries, in particular, came under fire.

"Is collective bargaining the problem?" asked Assemblyman Crescent Hardy, R-Mesquite, referring to the process by which teachers and schools districts negotiate teacher salaries.

"I can only speak for Washoe County, but collective bargaining

is not a problem,” said Heath Morrison, Washoe County superintendent, in a lengthy question-and-answer session with legislators. “I have been through one budget cycle and asked four of my five employee associations to engage in contract negotiations. They could have said no, but they said yes.”

Morrison said Washoe County last year cut \$37 million from its budget and is looking at cutting \$75 million this year and another \$75 million next year. Even if the county went back to the same trough for cuts, said Morrison, Washoe will still need to find another \$40 million to slash from its budget.

“What are the options? We have spent every day looking at this,” Morrison said.

He said options include 30-day furloughs or increasing class size by six students. The county has already asked its board of trustees to increase class size by two, which would cut 94 teaching jobs.

Morrison said his biggest concern, though, was the governor’s plan to sweep out funds from the school district’s debt reserves. The school districts are required by law to maintain debt reserves that equal 100 percent of a year’s worth of principal and interest payments on its bonds. Sandoval is proposing to reduce that to 10 percent and take the rest of the reserves to offset other cuts.

“We have been told the money would be funneled back to us but we have not been told how,” Morrison told *Lake Tahoe News* after the meeting.

Morrison said that would mean the county could not raise money for capital projects, such as building new schools or renovating and maintaining existing ones, by issuing bonds for six to eight years because it could not prudently do so until it built its reserves back up.

Morrison also asked legislators to consider not allowing the

Governmental Services Tax, which is charged on car licenses and helps fund schools, to be reduced from 2.6 percent to 2.25 percent.

“That would mean \$111 million (for all schools), \$17 million for Washoe,” Morrison said. “It would help.”

Douglas County School District would lose \$3.3 million if the GST rate were allowed to drop. This is on top of the nearly \$6 million in cuts just approved last week.

Representatives from other school districts, including Clark, Nye and Lyon counties, also made presentations, as well as Gansert and Director of Administration Andrew Clinger, who took questions on the governor’s proposed budget.

Although the meeting produced no action on the budget, several members suggested the Assembly should wait until after May 2, when the Economic Forum releases new forecasts for the state’s economy. The budget is built based on the forum’s findings and the upcoming forecasts are expected to be rosier.