

QUESTION NO. 2

Amendment to the Nevada Constitution

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to require that the annual per-pupil expenditure for Nevada's public elementary and secondary schools equals or exceeds the national average?

EXPLANATION

The proposed amendment, if passed, would create four new sections to Section 2 of Article 11 of the Nevada Constitution. The amendment would require the Legislature, commencing July 1, 2012, to ensure that in each fiscal year the annual per-pupil expenditure for public elementary and secondary schools equals or exceeds the national average.

ARGUMENT IN SUPPORT OF QUESTION NO. 2

Question 2 asks the voters to amend the Nevada Constitution to require the Nevada Legislature to bring per pupil expenditures for K-12 education in Nevada to or above the national average beginning in 2012.

Nevada's ranking in the level of per pupil funding has fallen from 35th in 1993 to 45th in the nation today and there is no indication that this trend will reverse without passage of this petition.

Nevada's per pupil expenditures have declined, creating a negative impact on the ability to support class-size reduction, the number of available textbooks and classroom materials, as well as providing remediation and tutoring and the expansion of kindergarten programs. In addition, teacher's salaries are insufficient to keep or recruit the best educators. This has led to a critical teacher shortage in Nevada.

By supporting Question 2, Nevada's citizens will be making the importance of funding education to the national average a clear priority for the Nevada Legislature. The proponents of this petition believe that 8 years is a fair and reasonable length of time to implement this policy.

We ask the voters of Nevada to send a strong message to the Nevada Legislature in support of education funding. It is no longer acceptable for Nevada's children to so significantly lag behind the national average on this measure of educational expenditures per student.

REBUTTAL TO ARGUMENT IN SUPPORT OF QUESTION NO. 2

Already Nevada taxpayers fund our schools very near the national average. Yet money spent per pupil is not what produces superior educational results.

Consider New York, New Jersey and the District of Columbia. They all spend huge amounts. But their results—according to national measures of educational progress—are far inferior to low-spending states like Utah, which rank at the bottom of per-pupil spending.

Class-size reduction programs are no answer. They sound good, but research has shown them to make little difference. Twenty *times* more effective is providing students with skilled teachers who know their subjects. Blocking this in Nevada are current collective-bargaining agreements that ignore teacher performance and reward mere longevity.

State lawmakers have repeatedly approved funds specifically for books and classroom materials—only to find that school officials, in collective bargaining, have diverted these funds into salaries.

Nevada hires over 2,000 teachers per year, so our problem is *not* attracting teachers. Average teacher pay here is *above* the national average. It's Nevada schools' performance that is near the bottom.

Send a message to Nevada's educational establishment: Tell them you want *systematic reform* before you authorize another big increase in Nevada taxes.

Vote "NO" on this constitutional amendment.

ARGUMENT AGAINST QUESTION NO. 2

This amendment would increase per-pupil spending in Nevada *far above* the national average.

It would also require a tax increase of about \$1,100 per year for a Nevada family of four. Otherwise, huge cuts in other important state programs—prisons, human services, mental health, etc.—will have to be made. A bill in the 2003 Legislature to meet the "national average" now would have cost taxpayers \$1.135 billion biennially, so costs in 2012 would be much higher.

This amendment prevents the billions of dollars that Nevada taxpayers pay for school construction and bond debt service from being counted in "annual per-pupil expenditures." This is unfair to Nevada taxpayers, who spend more for new schools than taxpayers in almost any other state in the nation—about twice the national average for both construction and debt service.

Approval of this measure would actually delay needed reforms to Nevada K-12 education. It would pour huge new taxpayer resources into the current wasteful system without requiring any new levels of performance, productivity or accountability. It would strengthen the hold on the system of the bureaucrats and unions who continually block the reforms that parents and teachers desire.

This proposal will damage the ability of Nevada citizens to direct the education of their children. It does this by writing into the state constitution a blank-check commitment to whatever set of accounting definitions happen to be selected by federal government bureaucrats in Washington, D.C. Nevada voters will have to *amend* the state constitution to adjust these funding formulas. The proposal would also take even more of school funding decisions out of local hands.

A “national average” approach is an extremely poor basis upon which to make important public policy decisions. The whole reason that Nevada has local school boards is because *local* needs are critically important and differ significantly.

This measure would create a treadmill with no “off” switch for taxpayers. Yet it promises no improvement for Nevada students.

Vote *NO* on this proposed constitutional amendment.

REBUTTAL TO ARGUMENT AGAINST QUESTION NO. 2

Revenue from tourism and businesses operating in the state generate the majority of tax dollars. Residents of Nevada contribute to education funding primarily through sales tax. Nevadans may well be called upon to pay more taxes if this amendment is approved, although it is misleading to suggest that this cost will be borne entirely or primarily by Nevada families.

Through the No Child Left Behind law and other legislation, the federal government and the Nevada Legislature have imposed strict accountability requirements on the public schools. But they have *not* provided the money needed to meet those standards, and this amendment will help fill that gap.

Nevada taxpayers spend more for new schools because we build more new schools than almost any other state in the nation. Unfortunately, we are failing to provide basic needs such as textbooks and technology.

There is no proof that the current system in Nevada is wasteful and if the public is paying for these increased costs, than the public will have a say in how the money is spent by communicating their priorities to their legislators. Additional funds can only improve a currently underfunded system.

FISCAL NOTE

Financial Impact – Yes.

Because the average annual per-pupil expenditure of Nevada is currently lower than the national average annual per-pupil expenditure, it is likely the proposal would result in significant increases in the expenditures necessary to support public elementary and secondary schools in Nevada.

Using the latest projections of the national average per-pupil expenditures provided by the National Center for Education Statistics and projections of the average annual per-pupil expenditure of Nevada, it is possible to estimate the cost the proposal would have had for the current fiscal year if the proposal had been in effect. If the proposal were in effect for this fiscal year (Fiscal Year 2004-2005), the difference in the national average and the Nevada average per-pupil expenditures could be approximately \$1,700 per pupil. Based on this projected difference, the cost to increase Nevada's average per-pupil expenditures to the national average in Fiscal Year 2004-2005 would have been approximately \$681 million, which would have been an increase of approximately 25 percent from the projected Fiscal Year 2004-2005 expenditures for public elementary and secondary schools in Nevada.

It is important to note that the proposal does not require Nevada average per-pupil expenditures to be equal to or greater than the national average per-pupil expenditures until the fiscal year that begins on July 1, 2012 (Fiscal Year 2012-2013). The impact the proposal would have in Fiscal Year 2012-2013 depends on the extent to which Nevada's average per-pupil expenditures are below the national average at that time and, if Nevada's average per-pupil expenditures are below the national average at that time, the number of students enrolled in Nevada public schools at that time. Due to these variables, the financial impact of the proposal in Fiscal Year 2012-2013 cannot be determined with any level of certainty.