

# Lawmakers call for restoration of K-12 funding cut in governor's budget

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Several members of the money committees objected Tuesday to specific cuts to K-12 education funding in the governor's recommended budget.

Sen. Ben Kieckhefer, R-Reno objected to the \$78 million cut in class size reduction funding. He said classes are already 40-plus pupils in high schools and that the state doesn't need to do that in grades one through three as well.

Joined by Sen. Heidi Gansert, R-Reno, and Assemblyman Tom Roberts, R-Las Vegas, he also said he would have a tough time supporting the more than \$16 million reduction in the Read By Three program that aims to have all elementary students able to read by the third grade.

Gansert said she thinks Read by Three is a critical program and that it would be at the top of her list for an infusion of the increased General Fund revenue authorized by the Economic Forum.

Gansert and Roberts also backed the higher weighted average per student for the Gifted and Talented programs and convinced a majority of the joint Senate Finance/Assembly Ways and Means meeting to add the \$5.2 million to pay for it.

But the subcommittee got hung up on the "hold harmless" mechanism to protect county school districts that would otherwise lose revenue under the new pupil-driven school funding system that will replace the 50-year-old Nevada Plan.

and rescue activity across the country, recorded 26,000 more pet adoptions in 2020 than in 2019 — an increase of about 15%.

Moreover, Quirk said more time at home with pets has likely led to pet owners paying closer attention to their cats and dogs' health and well-being.

"Maybe they noticed a lump on their dog that they never felt before or they noticed how bad their breath is and maybe had to have their teeth looked at," Quirk said. "I think just spending more time with pets has caused people to be a little bit more observant."

And pet owners have seemingly decided that the

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state would have to return more than \$100 million to the taxpayers, Settlemeyer told host Sam Shad.

Yet it would not hurt the state's education system as Democrats fear because of the lofty projections for tax revenue in the near future, Settlemeyer said.

"It doesn't really create a hole," Settlemeyer said. "It just shows that they stole money from people when they didn't have the authority to do so."

Nevada's Economic Forum — a group of economic experts — recently predicted a robust recovery for Nevada tourism, especially on the Las Vegas Strip, the state's major economic engine.

The forum predicted that Nevada would have the tax revenues to balance a \$9.1 billion budget for the next two years. And those figures don't include another \$2.9 billion that Nevada will receive from the federal American Rescue Plan relief package.

"If you look at it just recently, \$910 million more in funds were found by the Economic Forum, across the years," Settlemeyer said. "So the 2021 biennium as of now, plus the '22

and '23 (financial years) that are coming, they (Forum members) found almost \$300 million a year of increases in revenue."

Settlemeyer estimates the state would have to return \$107 million in tax money if the Supreme Court agrees with the district-court ruling.

"It would be about \$107 million that they are trying to utilize going forward and probably about \$107 million going backward, that they would have to refund or find, in some way, to get back to those individuals who paid the money who didn't have to."

Settlemeyer felt good about arguments his side presented to the Supreme Court.

"We feel very positive about the hearing," Settlemeyer said. "We think it went really well. Of course, you can never be 100 percent sure when it's the Supreme Court. They're final because they are final. So that's what we'll have to wait for, their ruling."

He could not say if the ruling would come before the Legislature's scheduled end in a few weeks.

"Some people think they will get it out pretty quickly," he said. "However, the last time we had oral arguments in front of the Supreme Court, they said they'd rule expeditiously and that was five months later."

Settlemeyer also predicted the state will probably reap major increases in gaming-tax revenues because of federal stimulus money people have spent in Nevada's casinos.

"If you look at the resources that were distributed by the federal government, a lot of them, unfortunately, were used in casinos," he said. "People didn't necessarily pay off their debts. So therefore we've had a large increase in the gaming revenue down in Clark County, which of course, makes up a very large portion of the state's budget, including the LET (live entertainment tax)."

Nevada's gaming win topped \$1 billion in March, the highest total in state revenues in eight months, according to the Gaming Control Board. Slot machine revenue hit \$772 million, the second-highest total in state history.

With the COVID pandemic subsiding, people seemed to crave live entertainment, Settlemeyer said.

"So it was interesting to see the live entertainment tax bounce back when we didn't necessarily have a lot of shows going on," he said.

Gaming is not the only business in Nevada that is warming up as the state eases out of pandemic restrictions, Settlemeyer said.

"The problem that I run across in businesses that I deal with is, they can't find employees,"

he said. "Rents have gone up, so businesses can't even take every other day off. They can't staff those businesses. The President that generated that gene, not incinerated, argued, work, argue, workforce said his workers took home."

Settlemeyer said about income from the privatization of public utilities.

When Settlemeyer said, "Well, I stay home month to month to are vacation place I go it seems to store that for anyone with their