

## A NEW LOOK FOR NEVADA EDUCATION

For many Nevadans, the K-12 education system is a top issue of concern. This is particularly true for the state's high net worth households. In Nevada State Bank's 2014 survey of high net worth households, 78 percent of respondents said improving the state's K-12 education programs was somewhat or very important. In the same survey, 82 percent of respondents said lowering the state unemployment rate was somewhat or very important. Unemployment and K-12 education were two of the top three issues of concern for survey respondents, while improving the state higher education system came in close behind at number four.

Education and unemployment are closely linked, since 2014 federal jobs data show that when educational attainment rises, the unemployment rate falls. Last year, workers without a high school diploma had a 9.0-percent unemployment rate, almost double the national average of 5.0 percent. Workers with a high school diploma or some college fared better, but their 6.0-percent unemployment rate was still worse than average. These national trends are especially apparent in Nevada, which has one of the nation's lowest levels of higher-educational attainment, one of the worst high school graduation rates and the highest unemployment rate.

Within this context, Governor Brian Sandoval made education the top priority of his 2015 legislative agenda and rallied bipartisan support in Carson City to get roughly two dozen education-focused bills passed through the Assembly and Senate. The

broad platform addressed many areas of educational change and created a new blueprint for the future of education in Nevada. Here are the key laws that emerged from the session and what they might mean for schools and families.

### Senate Bill 302

One of Sandoval's signature initiatives creates a school voucher program that allows parents to use public education funds to pay for private school. Any student enrolled in a Nevada public school for 100 consecutive school days would be eligible for the roughly \$5,000 voucher, which would be deposited in an education savings account and could be used for attending private school, homeschooling, tutoring or other approved educational expenses. A related bill, Senate Bill 313, allows private schools to provide online distance learning.

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### INSIGHTS FROM SUSIE LEE



**BOARD CHAIR  
COMMUNITIES IN  
SCHOOLS OF NEVADA**

**Having lived in Nevada for 23 years, the unsatisfactory state of our public education system has always been a nagging source of frustration for me.** I know firsthand how important education is to one's opportunity for a better life. One of my first jobs in Las Vegas, running a homeless program, opened my eyes to the high price our community was paying by failing to adequately educate our citizens. How were we to break the cycle of poverty and homelessness if we were unwilling to invest in educating our children?

Sadly, what I thought was a relatively simple solution – investing in education – seemed to be steeped in intense partisan politics, and still is. But what changed is the will of our community to demand that our state elected officials do something. I contend that the recession, while it was devastating for many families and still has negative ramifications for many, had a silver lining. That silver lining was the collective recognition that we would not be able to prevent such devastation in the future unless we diversified our economy. Economic diversification cannot happen without an educated workforce.

I am proud that we have come together – parents, students, educators, business leaders, public servants – to make a critical investment in our state's future. While there will be much discourse about each of the programs passed during this legislative session, and many will disagree with individual vehicles, I hope we can collectively be proud that we, Nevada, have finally arrived at the beginning of a brighter future. Our young people will have a shot at better opportunities because of that. I hope we will continue to build on the transformation we began in 2015, because after years of neglect, this is only just the beginning.

## Assembly Bill 448

This bill creates an Achievement School District, a statewide district that would take over failing public schools and convert them into charter schools. The newly created charter schools would remain under the oversight of the Achievement School District for at least six years. If a school reaches performance standards by then, the campus can remain under the Achievement School District, become a typical state-sponsored charter school, or convert back to a public school. The state Department of Education has already identified 78 failing schools, including 49 in Clark County, that would be candidates for the Achievement School District.

## Senate Bill 508

For decades, Nevada has funded schools at the same amount for every student in the state. This bill changes the school funding formula to provide additional funds for students who have disabilities, have limited English proficiency, live in poverty or are in a gifted and talented program.

## Senate Bill 391

The "Read By Three" bill will provide additional literacy support for students and eventually require students to repeat the third grade if they cannot read at grade level. The bill does include exceptions for students learning English as a second language, special education students and those who demonstrate reading proficiency in other ways. In a related move, Governor Sandoval's education budget earmarked funding to expand full-day kindergarten to all elementary schools.

## Senate Bills 405 & 432

These two bills provide additional funding for schools with groups of at-risk students. Senate Bill 405 doubles the funding for Zoom schools, which have a high number of English language learners. Senate Bill 432 creates the Victory Schools program, which earmarks additional funding for schools in Nevada's 20 poorest ZIP codes.

## Senate Bill 511

Future teachers of Nevada can receive up to \$3,000 a semester under the new Teach Nevada Scholarship program. Students studying education or working toward a teaching license at a Nevada college would be eligible for the scholarship. Three-quarters of the funds would be awarded while the student is in school, with the rest coming after teaching in Nevada for five years. The bill also establishes a bonus program that will pay up to \$5,000 a year to new teachers working in low-performing or at-risk schools. A related bill, Senate Bill 474, creates the Great Teaching and Learning Fund with more than \$16 million to enhance teacher professional development and retention.

## Senate Bill 504

This bill, designed to crack down on bullying in schools, requires school officials to do more when investigating reports of bullying and notifying parents of bullied students. Principals and other school administrators who fail to meet those new requirements could face discipline, including being fired.

## Assembly Bill 150

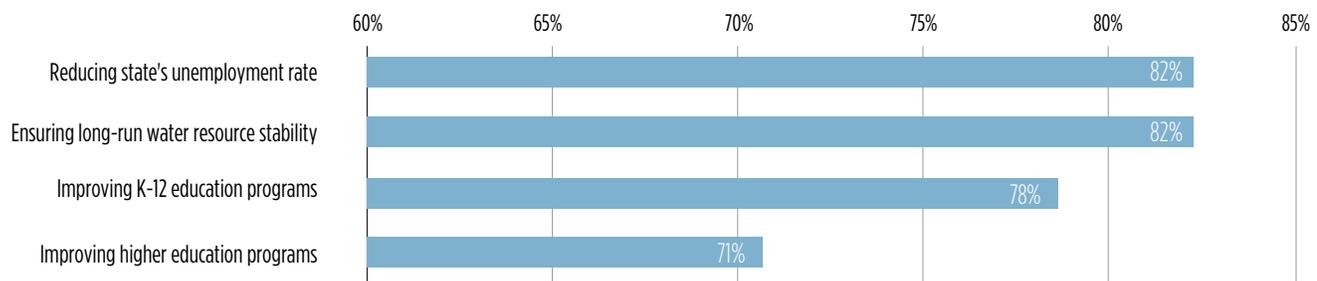
More Nevada college-bound students will be eligible for the Governor Guinn Millennium Scholarship under this bill. The legislation allows students without the minimum 3.25 unweighted grade-point average to receive the scholarship if they have a certain score on either the SAT or ACT. The Nevada Board of Regents will set the minimum scores required.

## Nevada Revenue Plan

Governor Sandoval's new education programs would not have been possible without Senate Bill 483, which made historic changes to Nevada's tax structure. The bill raised the business payroll tax, increased business fees and created the state's first tax on business gross revenue. The package is projected to raise more than \$1.5 billion in revenue for state programs, including the significant expansion of K-12 education programs outlined above.

## EDUCATION AMONG TOP ISSUES OF CONCERN FOR NEVADA'S HIGH NET WORTH HOUSEHOLDS

\* Percentage of Survey Respondents Who Called the Issue Somewhat Important or Very Important



Source: Nevada State Bank High Net Worth Household Survey 2014

The Private Bank by Nevada State Bank retained the team at Applied Analysis to explore the high net worth segment of the community. Specifically, the team has been working to better understand the size, consumer trends, needs and other aspects of this key segment of the market. Research efforts expected over the course of the next several months will focus on selected demographic and economic data, as well as information garnered through direct surveying techniques and other cutting edge research methodologies. This reporting series has been designed with these high net worth individuals in mind. We hope you find the elements of our research and analysis helpful in assessing the market.

The High Net Worth Report is published quarterly and can be found at [www.nsbank.com/HNWreport](http://www.nsbank.com/HNWreport). For more information, please call The Private Bank by Nevada State Bank at 702.855.4596.

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