

Senate Bill No. 555—Committee on Finance

CHAPTER.....

AN ACT relating to public schools; apportioning the state distributive school account in the state general fund for the 1999-2001 biennium; authorizing certain expenditures; providing for a final adjustment following the close of a fiscal year; making various other changes concerning the administration of money for public schools; making an appropriation; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 387 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

**Sec. 2. *The department shall:***

*1. Conduct an annual audit of the count of pupils for apportionment purposes reported by each school district pursuant to NRS 387.123 and the data reported by each school district that is used to measure the effectiveness of the implementation of the plan developed by each school district to reduce the pupil-teacher ratio in kindergarten and grades 1, 2 and 3, as required by NRS 388.710.*

*2. Review each school district's report of the annual audit conducted by a public accountant as required by NRS 354.624, and the annual report prepared by each district as required by NRS 387.303, and report the findings of the review to the state board and the legislative committee on education, with any recommendations for legislation, revisions to regulations or training needed by school district employees. The report by the department must identify school districts which failed to comply with any statutes or administrative regulations of this state or which had any:*

*(a) Long-term obligations in excess of the general obligation debt limit;*

*(b) Deficit fund balances or retained earnings in any fund;*

*(c) Deficit cash balances in any fund;*

*(d) Variances of more than 10 percent between total general fund revenues and budgeted general fund revenues; or*

*(e) Variances of more than 10 percent between total actual general fund expenditures and budgeted total general fund expenditures.*

*3. In preparing its biennial budgetary request for the state distributive school account, consult with the superintendent of schools of each school district or a person designated by the superintendent.*

*4. Provide, in consultation with the Budget Division of the Department of Administration and the fiscal analysis division of the legislative counsel bureau, training to the financial officers of school districts in matters relating to financial accountability.*

**Sec. 3. When administering money received from the Federal Government, the superintendent of public instruction, the department or the state board, as applicable, shall, to the extent practicable, administer the money in a manner that is designed to attain the goals of the legislature regarding educational reform in this state.**

**Sec. 4.** NRS 387.1211 is hereby amended to read as follows:

387.1211 As used in NRS 387.121 to 387.126, inclusive:

1. "Average daily attendance" means the total number of pupils attending a particular school each day during a period of reporting divided by the number of days school is in session during that period.
2. "Enrollment" means the count of pupils enrolled in and scheduled to attend programs of instruction of a school district or a charter school at a specified time during the school year.
3. "Special education program unit" means an organized ~~instructional~~ unit *of special education and related services* which includes full-time services of persons licensed by the superintendent of public instruction *or other appropriate licensing body*, providing a program of instruction in accordance with minimum standards prescribed by the state board.

**Sec. 5.** NRS 387.1235 is hereby amended to read as follows:

387.1235 ~~Local~~

**1. Except as otherwise provided in subsection 2, local** funds available are the sum of:

~~1.~~ (a) The amount computed by multiplying .0025 times the assessed valuation of the school district as certified by the department of taxation for the concurrent school year; and

~~2.~~ (b) The proceeds of the local school support tax imposed by chapter 374 of NRS. The department of taxation shall furnish an estimate of these proceeds to the superintendent of public instruction on or before July 15 for the fiscal year then begun, and the superintendent shall adjust the final apportionment of the current school year to reflect any difference between the estimate and actual receipts.

**2. The amount computed under subsection 1 that is attributable to any assessed valuation attributable to the net proceeds of minerals must be held in reserve and may not be considered as local funds available until the succeeding fiscal year.**

**Sec. 6.** NRS 387.195 is hereby amended to read as follows:

387.195 1. Each board of county commissioners shall levy a tax of 75 cents on each \$100 of assessed valuation of taxable property within the county for the support of the public schools within the county school district.

**2. The tax collected pursuant to subsection 1 on any assessed valuation attributable to the net proceeds of minerals must not be considered as available to pay liabilities of the fiscal year in which the tax is collected but must be deferred for use in the subsequent fiscal year.**

***The annual budget for the school district must only consider as an available source the tax on the net proceeds of minerals which was collected in the prior year.***

**3.** In addition to any tax levied in accordance with subsection 1, each board of county commissioners shall levy a tax for the payment of interest and redemption of outstanding bonds of the county school district.

**[3.] 4.** The tax collected pursuant to subsection 1 and any interest earned from the investment of the proceeds of that tax must be credited to the county's school district fund.

**[4.] 5.** The tax collected pursuant to subsection [2] 3 and any interest earned from the investment of the proceeds of that tax must be credited to the county school district's debt service fund.

**Sec. 7.** The basic support guarantee for school districts for operating purposes for the 1999-2000 fiscal year is an estimated weighted average of \$3,806. For each respective school district, the basic support guarantee per pupil for the 1999-2000 fiscal year is:

|                         |         |
|-------------------------|---------|
| Carson City.....        | \$4,266 |
| Churchill County .....  | \$4,675 |
| Clark County .....      | \$3,632 |
| Douglas County.....     | \$4,129 |
| Elko County.....        | \$4,559 |
| Esmeralda County .....  | \$7,419 |
| Eureka County.....      | \$1,956 |
| Humboldt County.....    | \$4,454 |
| Lander County.....      | \$4,225 |
| Lincoln County.....     | \$7,037 |
| Lyon County.....        | \$4,880 |
| Mineral County.....     | \$5,041 |
| Nye County.....         | \$4,910 |
| Pershing County .....   | \$5,291 |
| Storey County.....      | \$5,809 |
| Washoe County .....     | \$3,663 |
| White Pine County ..... | \$5,198 |

**Sec. 8.** 1. The basic support guarantee for school districts for operating purposes for the 2000-2001 fiscal year is an estimated weighted average of \$3,804 per pupil.

2. On or before April 1, 2000, the Department of Taxation shall provide a certified estimate of the assessed valuation for each school district for the 2000-2001 fiscal year. The assessed valuation for each school district must be that which is taxable for purposes of providing revenue to school districts, including any assessed valuation attributable to the net proceeds of minerals derived from within the boundaries of the district.

3. On or before April 25 of each year, the Department of Taxation shall provide an estimate of the net proceeds of minerals based upon statements required of mine operators pursuant to NRS 362.115, as amended by Assembly Bill No. 506 of this session.

4. For purposes of establishing the basic support guarantee, the estimated basic support guarantees for each school district for the 2000-2001 fiscal year for operating purposes are:

| <u>School District</u> | <u>c</u><br><u>Basic Support<br/>Guarantee<br/>Before<br/>Adjustment</u> | <u>Estimated<br/>Ad Valorem<br/>Adjustment</u> | <u>Estimated<br/>Basic<br/>Support<br/>Guarantee<br/>as Adjusted</u> |
|------------------------|--|--|--|
| Carson City            | \$4,120  | \$167  | \$4,287  |
| Churchill County       | \$4,382  | \$333  | \$4,715  |
| Clark County           | \$3,639  | \$(4)  | \$3,635  |
| Douglas County         | \$4,418  | \$(325)  | \$4,093  |
| Elko County            | \$4,319  | \$265  | \$4,584  |
| Esmeralda County       | \$8,947  | \$(1,405)                                      | \$7,542  |
| Eureka County          | \$8,704  | \$(6,173)                                      | \$2,531  |
| Humboldt County        | \$4,526  | \$(44)   | \$4,482  |
| Lander County          | \$4,630  | \$(417)  | \$4,213  |
| Lincoln County         | \$6,742  | \$305  | \$7,047  |
| Lyon County            | \$4,649  | \$253  | \$4,902  |
| Mineral County         | \$4,821  | \$295  | \$5,116  |
| Nye County             | \$4,799  | \$138  | \$4,937  |
| Pershing County        | \$5,498  | \$(168)  | \$5,330  |
| Storey County          | \$6,804  | \$(1,129)                                      | \$5,675  |
| Washoe County          | \$3,702  | \$(43)   | \$3,659  |
| White Pine County      | \$4,981  | \$263  | \$5,244  |

5. The ad valorem adjustment may be made only to take into account the difference in the assessed valuation and the estimated enrollment of the school district between the amount estimated as of April 1, 1999, and the amount estimated as of April 1, 2000, for the 2000-2001 fiscal year.

Estimates of net proceeds of minerals received from the Department of Taxation on or before April 25 pursuant to subsection 3 shall be taken into consideration in determining the adjustment.

6. Upon receipt of the certified estimates of assessed valuations as of April 1, 2000, from the Department of Taxation, the Department of Education must recalculate the amount of ad valorem adjustment and the tentative basic support guarantee for operating purposes for the 2000-2001 fiscal year by April 15, 2000. The final basic support guarantee for each school district for the 2000-2001 fiscal year is the amount which is recalculated for the 2000-2001 fiscal year pursuant to this section, taking into consideration estimates of net proceeds of minerals received from the

Department of Taxation on or before April 25, 2000. The basic support guarantee recalculated pursuant to this section must be calculated before May 31, 2000.

**Sec. 9.** 1. The basic support guarantee for each special education program unit which is maintained and operated for at least 9 months of a school year is \$28,813 in the 1999-2000 fiscal year and \$29,389 in the 2000-2001 fiscal year, except as limited by subsection 2.

2. The maximum number of units and amount of basic support for special education program units within each of the school districts, before any reallocation pursuant to NRS 387.1221, for the fiscal years 1999-2000 and 2000-2001 are:

| <u>DISTRICT</u>    | <u>Allocation of Special Education Units</u> |                     |               |                     |
|--------------------|--|---------------------|---------------|---------------------|
|                    | <u>1999-2000</u>                             | <u>2000-2001</u>    |               |                     |
| <u>Units</u>       | <u>Amount</u>                                | <u>Units</u>        | <u>Amount</u> |                     |
| Carson City        | 73   | \$2,103,349         | 75            | \$2,204,175         |
| Churchill County   | 40   | \$1,152,520         | 41            | \$1,204,949         |
| Clark County       | 1,276  | \$36,765,388        | 1,357         | \$39,880,873        |
| Douglas County     | 58   | \$1,671,154         | 59            | \$1,733,951         |
| Elko County        | 78   | \$2,247,414         | 79            | \$2,321,731         |
| Esmeralda County   | 4  | \$115,252           | 4             | \$117,556           |
| Eureka County      | 4  | \$115,252           | 4             | \$117,556           |
| Humboldt County    | 28   | \$806,764           | 28            | \$822,892           |
| Lander County      | 17   | \$489,821           | 17            | \$499,613           |
| Lincoln County     | 15   | \$432,195           | 16            | \$470,224           |
| Lyon County        | 49   | \$1,411,837         | 50            | \$1,469,450         |
| Mineral County     | 10   | \$288,130           | 10            | \$293,890           |
| Nye County         | 38   | \$1,094,894         | 40            | \$1,175,560         |
| Pershing County    | 13   | \$374,569           | 13            | \$382,057           |
| Storey County      | 8  | \$230,504           | 8             | \$235,112           |
| Washoe County      | 416  | \$11,986,208        | 431           | \$12,666,659        |
| White Pine County  | 19   | \$547,447           | 19            | \$558,391           |
| <u>Subtotal</u>    | <u>2,146</u>                                 | <u>\$61,832,698</u> | <u>2,251</u>  | <u>\$66,154,639</u> |
| Reserved by State  |  |                     |               |                     |
| Board of Education | 40   | 1,152,520           | 40            | 1,175,560           |
| <u>TOTAL</u>       | <u>2,186</u>                                 | <u>\$62,985,218</u> | <u>2,291</u>  | <u>\$67,330,199</u> |

3. The State Board of Education shall reserve 40 special education program units in each fiscal year of the 1999-2001 biennium, to be allocated to school districts by the State Board of Education to meet additional needs that cannot be met by the allocations provided in subsection 2 to school districts for that fiscal year.

4. Notwithstanding the provisions of subsections 2 and 3, the State Board of Education is authorized to spend from the state distributive school account up to \$144,065 in the fiscal year 1999-2000 and \$146,945 in the fiscal year 2000-2001 for five special education program units for

instructional programs incorporating educational technology for gifted and talented pupils. Any school district may submit a written application to the Department of Education requesting one or more of the five units for gifted and talented pupils. For each fiscal year of the 1999-2001 biennium, the Department will award the five units based on a review of applications received from school districts.

**Sec. 10.** 1. There is hereby appropriated from the state general fund to the state distributive school account in the state general fund created pursuant to NRS 387.030:

For the 1999-2000 fiscal year ..... \$463,089,242

For the 2000-2001 fiscal year ..... \$477,494,736

2. The money appropriated by subsection 1 must be:

(a) Expended in accordance with NRS 353.150 to 353.245, inclusive, concerning the allotment, transfer, work program and budget; and

(b) Work-programmed for the 2 separate fiscal years, 1999-2000 and 2000-2001, as required by NRS 353.215. Work programs may be revised with the approval of the Governor upon the recommendation of the Chief of the Budget Division of the Department of Administration.

3. Transfers to and from allotments must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate considerations of the merits of each request.

4. The sums appropriated by subsection 1 are available for either fiscal year. Money may be transferred from one fiscal year to the other with the approval of the Governor upon the recommendation of the Chief of the Budget Division of the Department of Administration.

5. Any remaining balance of the appropriation made by subsection 1 for the 1999-2000 fiscal year must be transferred and added to the money appropriated for the 2000-2001 fiscal year and may be expended as that money is expended.

6. Any remaining balance of the appropriation made by subsection 1 for the 2000-2001 fiscal year, including any money added thereto pursuant to the provisions of subsections 3 and 5, must not be committed for expenditure after June 30, 2001, and reverts to the state general fund as soon as all payments of money committed have been made.

**Sec. 11.** 1. Expenditure of \$130,133,149 by the Department of Education from money in the state distributive school account which was not appropriated from the state general fund is hereby authorized during the fiscal year beginning July 1, 1999.

2. Expenditure of \$135,387,657 by the Department of Education from money in the state distributive school account which was not appropriated from the state general fund is hereby authorized during the fiscal year beginning July 1, 2000.

3. For purposes of accounting and reporting, the sums authorized for expenditure by subsections 1 and 2 are considered to be expended before any appropriation is made to the state distributive school account from the state general fund.

4. The money authorized to be expended by subsections 1 and 2 must be expended in accordance with NRS 353.150 to 353.245, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and from allotments must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

5. The Chief of the Budget Division of the Department of Administration may, with the approval of the Governor, authorize the augmentation of the amounts authorized for expenditure by the Department of Education, in subsections 1 and 2, for the purpose of meeting obligations of the state incurred under chapter 387 of NRS with amounts from any other state agency, from any agency of local government, from any agency of the Federal Government or from any other source which he determines is in excess of the amount taken into consideration by this act. The Chief of the Budget Division of the Department of Administration shall reduce any authorization whenever he determines that money to be received will be less than the amount authorized in subsections 1 and 2.

**Sec. 12.** During each of the fiscal years 1999-2000 and 2000-2001, whenever the State Controller finds that current claims against the state distributive school account in the state general fund exceed the amount available in the account to pay those claims, he may advance temporarily from the state general fund to the state distributive school account the amount required to pay the claims, but not more than the amount expected to be received in the current fiscal year from any source authorized for the state distributive school account. No amount may be transferred unless requested by the Chief of the Budget Division of the Department of Administration.

**Sec. 13.** The Department of Education is hereby authorized to spend from the state distributive school account the sums of \$12,851,835 for the 1999-2000 fiscal year and \$13,736,786 for the 2000-2001 fiscal year for the support of courses which are approved by the Department of Education as meeting the course of study for an adult standard high school diploma as approved by the State Board of Education. In each fiscal year of the 1999-2001 biennium, the sum authorized must be allocated among the various school districts in accordance with a plan or formula developed by the Department of Education to ensure the money is distributed equitably and in a manner that permits accounting for the expenditures of school districts.

**Sec. 14.** The Department of Education is hereby authorized to provide from the state distributive school account the sum of \$50,000 to each of the 17 school districts in each fiscal year of the 1999-2001 biennium to support special counseling services for elementary school pupils at risk of failure.

**Sec. 15.** The amounts of the guarantees set forth in sections 7 and 8 of this act may be reduced to effectuate a reserve required pursuant to NRS 353.225.

**Sec. 16.** 1. The Department of Education is hereby authorized to transfer from the state distributive school account to the school districts specified in this section the following sums for fiscal years 1999-2000 and 2000-2001:

| <u>School District</u>         | <u>1999-2000</u> | <u>2000-2001</u> |
|--------------------------------|------------------|------------------|
| Clark County School District   | \$1,284,603      | \$1,354,311      |
| Douglas County School District | \$640,655        | \$686,415        |
| Elko County School District    | \$691,749        | \$487,914        |
| Washoe County School District  | <u>\$832,993</u> | <u>\$921,360</u> |
|                                | \$3,450,000      | \$3,450,000      |

2. A school district that receives an allocation pursuant to subsection 1:
  - (a) Shall use the money to establish and operate a regional training program for the professional development of teachers and administrators, including, without limitation, paying:
    - (1) The salaries and travel expenses of staff and other personnel necessary to the operation of the program;
    - (2) Related administrative expenses; and
    - (3) The costs incurred to acquire equipment and space to operate the program.
  - (b) Shall use the money to pay for the travel expenses of teachers and administrators who attend the regional training program.
  - (c) May use the money to provide incentives for teachers to attend the regional training program, including, without limitation, the:
    - (1) Arrangement for credit toward renewal of a license or an endorsement for a license;
    - (2) Provision of books, supplies or instructional materials for the classroom; and
    - (3) Provision of stipends.
3. Except as otherwise provided in subsection 7, the regional training program established by the Clark County School District must primarily provide services to teachers and administrators who are employed by school districts in:
  - (a) Clark County;
  - (b) Esmeralda County;
  - (c) Lincoln County; and
  - (d) Nye County.
4. Except as otherwise provided in subsection 7, the regional training program established by the Douglas County School District must primarily provide services to teachers and administrators who are employed by school districts in:
  - (a) Churchill County;
  - (b) Douglas County;
  - (c) Lyon County;
  - (d) Carson City; an

(e) Mineral County.

5. Except as otherwise provided in subsection 7, the regional training program established by the Elko County School District must primarily provide services to teachers and administrators who are employed by school districts in:

- (a) Elko County;
- (b) Eureka County;
- (c) Lander County;
- (d) Humboldt County; and
- (e) White Pine County.

6. Except as otherwise provided in subsection 7, the regional training program established by the Washoe County School District must primarily provide services to teachers and administrators who are employed by school districts in:

- (a) Pershing County;
- (b) Storey County; and
- (c) Washoe County.

7. Each regional training program shall, when practicable, make reasonable accommodations for the attendance of teachers and administrators who are employed by school districts outside the primary jurisdiction of the regional training program.

8. Each regional training program must have a governing body consisting of:

(a) The superintendent of schools, or his designee, for each school district that is included within the primary jurisdiction of the regional training program.

(b) Teachers who are considered masters, appointed by the superintendents of schools of the school districts that are included within the primary jurisdiction of the regional training program and the representatives of higher education appointed to the governing body. Each teacher who wishes to be considered for appointment to the governing body must submit an application explaining his qualifications as a master teacher. At least one teacher must be appointed from each school district within the primary jurisdiction of the regional training program.

(c) Representatives of the University and Community College System of Nevada, appointed by the Board of Regents, and representatives of other institutions of higher education, as determined by the superintendents of school districts included within the primary jurisdiction of the regional training program.

(d) A nonvoting member who is an employee of the Department of Education.

9. The governing body of each regional training program shall adopt a training model, taking into consideration other model programs, including, without limitation, the program used by the Geographic Alliance in Nevada. The governing body shall assess the training needs of teachers who are employed by the school districts within the primary jurisdiction of

the regional training program and adopt priorities of training for the program based upon the assessment of needs. The board of trustees of each such school district may submit recommendations for the types of training that should be offered. Based upon the assessment of needs for training within the region and the priorities of training adopted, each regional training program shall provide at least one of the following types of training:

- (a) Training for teachers in the standards adopted by the Council to Establish Academic Standards for Public Schools pursuant to section 45 of chapter 473, Statutes of Nevada 1997.
- (b) Training for teachers and school administrators in the assessment and measurement of pupil achievement and the effective methods to analyze the test results and scores of pupils to improve the achievement and proficiency of pupils.
- (c) Training for teachers in specific content areas to enable the teachers to provide a higher level of instruction in their respective fields of teaching. Such training must include instruction in effective methods to teach in a content area provided by teachers who are considered masters in that content area.
- (d) Training for teachers in the methods to teach basic skills to pupils, such as providing instruction in reading with the use of phonics and providing instruction in basic skills of math computation.

10. The training required pursuant to subsection 9 must:

- (a) Include appropriate procedures to ensure follow-up training for teachers and administrators who have received training through the program.
- (b) Incorporate training that addresses the educational needs of:
  - (1) Pupils with disabilities who participate in programs of special education; and
  - (2) Pupils whose primary language is not English.

11. A regional training program may include model classrooms that demonstrate the use of educational technology for teaching and learning.

12. The governing body of each regional training program shall:

- (a) Prepare and maintain a list that identifies programs for the professional development of teachers and administrators that successfully incorporate the standards of content and performance established by the Council to Establish Academic Standards for Public Schools and other training listed in subsection 9, and shall provide the list to the school districts for dissemination to teachers and administrators;
- (b) Establish a method for the evaluation of the success of the regional training program; and
- (c) Submit an annual report to the State Board of Education, the Commission on Professional Standards in Education, the Legislative Committee on Education and the Legislative Bureau of Educational Accountability and Program Evaluation that includes:

- (1) The priorities for training adopted by the governing body pursuant to subsection 9;
- (2) The type of training offered through the program;
- (3) The number of teachers and administrators who received training during the immediately preceding year; and
- (4) An evaluation of the success of the regional training program in accordance with the method established pursuant to paragraph (b).

13. The board of trustees of each school district shall submit an annual report to the State Board of Education, the Commission on Professional Standards in Education, the Legislative Committee on Education and the Legislative Bureau of Educational Accountability and Program Evaluation that includes:

- (a) The number of teachers and administrators employed by the school district who received training through a regional training program during the immediately preceding year; and
- (b) An evaluation of whether that training included the standards of content and performance adopted by the Council to Establish Academic Standards for Public Schools pursuant to section 45 of chapter 473, Statutes of Nevada 1997.

14. Each school district shall report for each school within the school district that received a designation as demonstrating need for improvement pursuant to NRS 385.367, if any, the amount of money expended for the:

- (a) Professional development of teachers to carry out the remedial programs required pursuant to NRS 385.389; and
- (b) Plan to improve the achievement of the school.

The report must be submitted to the Governor, the State Board of Education, the Legislative Committee on Education and the Legislative Bureau of Educational Accountability and Program Evaluation.

15. Any remaining balance of the transfers made by subsection 1 for the 1999-2000 fiscal year must be added to the money received by the school districts for the 2000-2001 fiscal year and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 1 for the 2000-2001 fiscal year, including any money added from the allocation for the previous fiscal year, must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

**Sec. 17.** 1. The school districts authorized to receive an allocation under subsection 1 of section 16 of this act to establish regional training programs are hereby authorized to form a consortium and to receive up to \$50,000 in each fiscal year of the 1999-2001 biennium from the state distributive school account to spend for an evaluation of the regional training program for professional development of teachers and administrators established pursuant to section 16 of this act.

2. The consortium of school districts shall, after consulting with the Legislative Bureau of Educational Accountability and Program Evaluation, use the money allocated by subsection 1 to hire a qualified, independent

consultant to conduct an evaluation of the effectiveness of the four regional training programs established pursuant to section 16 of this act. The evaluation must include, without limitation, a review of the annual reports submitted by the governing body of each regional training program pursuant to subsection 12 of section 16 of this act and the annual reports submitted by the board of trustees of each school district pursuant to subsection 13 of section 16 of this act.

3. On or before February 1, 2001, the consultant shall submit a written report of the results of his evaluation to the consortium and the Legislative Bureau of Educational Accountability and Program Evaluation. On or before February 19, 2001, the Legislative Bureau of Educational Accountability and Program Evaluation shall submit a copy of the written evaluation, including any recommendations for legislation, to the Director of the Legislative Counsel Bureau for transmission to the 71st session of the Nevada Legislature.

4. Any remaining balance of the allocation made by subsection 1 must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

**Sec. 18.** 1. The Department of Education is hereby authorized to spend the following sums from the state distributive school account for remedial education programs for schools that have been designated as demonstrating need for improvement and certain schools that have been designated as demonstrating adequate achievement:

|                                     |             |
|-------------------------------------|-------------|
| For the fiscal year 1999-2000.....  | \$3,300,000 |
| For the fiscal year 2000-2001 ..... | \$3,300,000 |

The money allocated must be used to provide remedial education programs that have been approved by the Department as being effective in improving pupil achievement.

2. A school that receives a designation as demonstrating need for improvement pursuant to NRS 385.367 may submit to the Department of Education, for transmission to the State Board of Examiners, an application for an allocation from the amount authorized in subsection 1. A school that did not receive a designation because the school had too few pupils enrolled in a grade level that is tested pursuant to NRS 389.015, but the test scores of the pupils indicate that the school would have received a designation as demonstrating need for improvement, may submit to the Department of Education, for transmission to the State Board of Examiners, an application for an allocation from the amount authorized in subsection 1. A school that receives a designation as demonstrating adequate achievement may submit to the Department of Education, for transmission to the State Board of Examiners, an application for an allocation from the amount authorized in subsection 1 if more than 40 percent of the pupils enrolled in the school received an average score below the 26th percentile on three of the four subjects tested pursuant to NRS 389.015 or if the school was designated as demonstrating need for improvement pursuant to

NRS 385.367 in the immediately preceding school year. The Department of Education shall, in consultation with the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation, develop a form for such applications.

3. Upon receipt of an application submitted pursuant to subsection 2, the Department of Education shall review the application jointly with the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation. The Department of Education shall transmit the application to the State Board of Examiners with the recommendation of the Department of Education concerning the allocation of money based upon each application so received. The State Board of Examiners, or the Clerk of the Board if authorized by the Board to act on its behalf, shall consider each such application and, if it finds that an allocation should be made, recommend the amount of the allocation to the Interim Finance Committee. The Interim Finance Committee shall consider each such recommendation, but is not bound to follow the recommendation of the State Board of Examiners when determining the allocation to be received by a school.

4. In determining the amount of the allocation, the State Board of Examiners and the Interim Finance Committee shall consider:

(a) The total number of pupils enrolled in the school who failed to demonstrate at least adequate achievement on the examinations administered pursuant to NRS 389.015; and

(b) The financial need of the particular school.

5. A school that receives an allocation of money pursuant to subsection 3 shall use the money to:

(a) Pay the costs incurred by the school in providing the program of remedial study required by NRS 385.389. The money must first be applied to those pupils who the school determines are performing at a level which poses the highest risk of failure.

(b) Pay for the salaries, training or other compensation of teachers and other educational personnel to provide the program of remedial study, instructional materials required for the remedial study, equipment necessary to offer the program of remedial study and all other additional operating costs attributable to the program of remedial study.

(c) Supplement and not replace the money the school would otherwise expend for programs of remedial study.

6. Before a school amends a plan for expenditure of an allocation of money received pursuant to subsection 3, the school district must submit the proposed amendment to the Department of Education to receive joint approval from the Department of Education, the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation, or the Interim Finance Committee.

7. The sums authorized for expenditure in subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

**Sec. 19.** 1. The Department of Education is hereby authorized to allocate from the state distributive school account the following sums for remedial education programs or tutoring for pupils who need additional instructional time in order to pass or to reach a level considered proficient. Programs funded under this section must be conducted before or after school, on weekends, during the summer or between sessions in schools with year-round school calendars.

For the fiscal year 1999-2000 .....\$1,000,000

For the fiscal year 2000-2001 .....\$1,000,000

The money allocated must be used to provide remedial education programs or tutoring programs that have been approved by the Department as being effective in improving pupil achievement.

2. To receive an allocation from the amounts authorized in subsection 1, a school district must submit a written plan for providing remedial instruction or tutoring. The written plan must include:

- (a) The estimated number of pupils that will participate in the remedial program;
- (b) The curriculum that will be taught;
- (c) A schedule of the course work or tutoring to be conducted under the remedial program;
- (d) A plan for evaluating the effectiveness of the remedial program; and
- (e) A budget for the program.

3. Upon receipt of such an application, the Department of Education shall review the application jointly with the Budget Division of the Department of Administration and the Legislative Bureau of Educational Accountability and Program Evaluation. The Department of Education shall transmit the application to the State Board of Examiners with the recommendation of the Department concerning the allocation of money based upon each application so received. The State Board of Examiners, or the Clerk of the Board if authorized by the Board to act on its behalf, shall consider each such application and, if it finds that an allocation should be made, recommend the amount of the allocation to the Interim Finance Committee. The Interim Finance Committee shall consider each such recommendation, but is not bound to follow the recommendation of the State Board of Examiners when determining the allocation to be received by a school district.

4. A school that receives an allocation of money pursuant to subsection 3 shall use the money to:

- (a) Pay the costs incurred by the school in providing the program of remedial study required by NRS 385.389. The money must first be applied

to those pupils who the school determines are performing at a level which poses the highest risk of failure.

(b) Pay for the salaries, training or other compensation of teachers and other educational personnel to provide the program of remedial study, instructional materials required for the remedial study, equipment necessary to offer the program of remedial study and all other additional operating costs attributable to the program of remedial study.

(c) Supplement and not replace the money the school would otherwise expend for programs of remedial study.

5. The sums authorized for expenditure in subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

**Sec. 20.** 1. The Department of Education is hereby authorized to transfer the following sums from the state distributive school account to develop or purchase and to score the examinations required to be administered statewide to measure the achievement of pupils in standards of content and performance, commencing in the 2000-2001 school year:

For the fiscal year 1999-2000.....\$300,000

For the fiscal year 2000-2001..... \$300,000

On or before December 1, 2000, the State Board of Education shall, pursuant to the recommendations of the Council to Establish Academic Standards for Public Schools, develop or purchase examinations that measure the achievement and proficiency of pupils in grades 3 and 5 on the standards of content and performance established by the Council for English and mathematics. The examinations must be scored by a single entity, the Department of Education or a school district on behalf of the other school districts.

2. The examinations must be administered to all pupils who are required to take such examinations, pursuant to section 24 of Senate Bill No. 466 of this session, commencing in the spring semester of 2001. In the first year that the examinations are administered, the results of the examinations must be used solely to gather information and data concerning the examinations. The examinations or test questions to be used in the examinations must be tested in a pilot project in the Spring of 2000.

3. The State Board of Education shall adopt regulations that require the board of trustees of each school district and the governing body of each charter school to submit to the Superintendent of Public Instruction, the Department of Education, the Council to Establish Academic Standards for Public Schools and the Legislative Bureau of Educational Accountability and Program Evaluation, in the form and manner prescribed by the superintendent, the results of the examinations administered pursuant to this section. The State Board shall not include in the regulations any provision that would violate the confidentiality of the test scores of an individual pupil.

4. The board of trustees of each school district shall review the results of the examinations administered pursuant to subsection 2 to pupils enrolled in public schools within the school district. Based upon such a review, the board of trustees of each school district shall:

- (a) Identify the need, if any, for the acquisition of the knowledge and skills required of teachers to teach pupils the subjects relating to the standards of content and performance.
- (b) Recommend programs for the acquisition of the knowledge and skills by teachers, as identified by the review.
- (c) Review the curriculum of the school regarding the standards of content and performance.

5. The sums authorized for expenditure in subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

**Sec. 21.** 1. The Department of Education is hereby authorized to transfer the following sums from the state distributive school account to contract with a nationally recognized testing company to take over the development, printing, administration and scoring of the high school proficiency examination required by NRS 389.015:

For the fiscal year 1999-2000..... \$900,000

For the fiscal year 2000-2001..... \$900,000

2. The standards established by the Council to Establish Academic Standards for Public Schools and adopted by the State Board of Education in August of 1998 must be phased into the high school proficiency examination as new forms are prepared. The examinations, or test questions to be used in the examinations, must be tested in a pilot project in the Fall of 2000.

3. Beginning in school year 2001-2002, the high school proficiency examination required by subsection 6 of NRS 389.015, which pupils must pass to receive a standard high school diploma, must measure pupils' performance on the standards of content and performance adopted by the State Board of Education in August of 1998. The high school proficiency examination covering the academic standards must be administered to pupils in grade 11 in the school year 2001-2002, who must pass the examination before the end of grade 12 to receive a standard diploma in school year 2002-2003. Pupils who graduate from high school in school year 2001-2002 must pass the preceding year's high school proficiency examination.

4. The examinations must be scored by a single private entity, the Department of Education or a school district on behalf of the other school districts.

5. In the first year that the examinations are administered, the results of the examinations must be used solely to gather information and data concerning the examinations. The State Board of Education shall adopt

regulations that require the board of trustees of each school district and the governing body of each charter school to submit to the Superintendent of Public Instruction, the Department of Education, the Council to Establish Academic Standards for Public Schools and the Legislative Bureau of Educational Accountability and Program Evaluation, in the form and manner prescribed by the superintendent, the results of the examinations administered pursuant to this section. The State Board of Education shall not include in the regulations any provision that would violate the confidentiality of the test scores of an individual pupil.

6. The board of trustees of each school district shall review the results of examinations administered pursuant to subsection 3 to pupils enrolled in public schools within the school district. Based upon such a review, the board of trustees of each school district shall:

- (a) Identify the need, if any, for the acquisition of the knowledge and skills required of teachers to teach pupils the subjects relating to the standards of content and performance.
- (b) Recommend programs for the acquisition of the knowledge and skills by teachers, as identified by the review.
- (c) Review the curriculum of the school regarding the standards of content and performance.

7. The sums authorized for expenditure in subsection 1 are available for either fiscal year with the approval of the Interim Finance Committee. Any remaining balance of those sums must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

**Sec. 22.** Section 4 of chapter 333, Statutes of Nevada 1997, at page 1229, is hereby amended to read as follows:

**Sec. 4.** 1. An advisory committee for the statewide automated system of information concerning pupils is hereby created. The advisory committee consists of:

- (a) One representative of each school district, appointed by the board of trustees.
- (b) Two representatives of the state board of education, appointed by the president of the board.
- (c) One representative of the budget division of the department of administration, appointed by the chief of the budget division.
- (d) Two members of the legislature. One of the members must be appointed by the majority leader of the senate and one of the members must be appointed by the speaker of the assembly.

2. The term of each member of the advisory committee commences on August 1, 1997, and expires on June 30, ~~1999.~~  
**2001.**

3. *For each day or portion of a day during which a member of the advisory committee who is a legislator attends a meeting of the advisory committee or is otherwise engaged in the business of*

*the advisory committee, except during a regular or special session of the legislature, he is entitled to receive the:*

- (a) Compensation provided for a majority of the members of the legislature during the first 60 days of the preceding session;*
- (b) Per diem allowance provided for state officers and employees generally; and*
- (c) Travel expenses provided pursuant to NRS 218.2207.*

*The compensation, per diem allowances and travel expenses of the legislative members of the advisory committee must be paid from the legislative fund.*

4. The members of the advisory committee **who are not legislators** serve without compensation, except that for each day or portion of a day during which a member of the advisory committee attends a meeting of the advisory committee or is otherwise engaged in the work of the advisory committee, he is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

**[4.] 5.** The superintendent of public instruction shall hold at least eight meetings with the advisory committee and during those meetings report to and consider any suggestions of the advisory committee concerning the establishment and maintenance of the statewide automated system of information concerning pupils.

**Sec. 23.** 1. The Department of Education is hereby authorized to transfer from the state distributive school account to the Clark County School District in each fiscal year of the 1999-2001 biennium the following sums for the continued implementation and maintenance of a statewide automated system of information concerning pupils pursuant to NRS 386.650:

For fiscal year 1999-2000.....\$1,700,000

For fiscal year 2000-2001.....\$1,700,000

2. The money allocated to the Clark County School District must be used for the purchase of hardware, networking and software for information relating to pupils, and training and other related services that are nonrecurring, including, without limitation, assistance in the integration of the statewide automated system of information concerning pupils. The allocations made by subsection 1 must be used in accordance with the program established by the school districts for the statewide automated system of information concerning pupils pursuant to NRS 386.650.

3. To receive money pursuant to subsection 1, the Board of Trustees of the Clark County School District shall enter into a written agreement with the Department of Education. The written agreement must prescribe the duties of the school district and the Department of Education in continuing to implement and maintain the statewide automated system of information concerning pupils. The Clark County School District shall not use the money to:

(a) Settle or arbitrate disputes or negotiate settlements between an organization that represents employees of the school district and the school district; or

(b) Adjust the schedules of salaries and benefits of the employees of the school district, excluding any overtime costs incurred by an employee of the school district while working on the establishment and maintenance of the statewide automated system of information concerning pupils.

4. The Department of Education is hereby authorized to spend \$300,000 from the state distributive school account in each year of the 1999-2001 biennium in the following manner:

(a) Contractual services that are necessary to plan, install and evaluate hardware and software and provide technical assistance for the statewide automated system of information concerning pupils; and

(b) The payment of the per diem allowances and travel expenses for the nonlegislative members of the advisory committee for the statewide automated system of information concerning pupils created pursuant to section 4 of chapter 333, Statutes of Nevada 1997.

5. The sums authorized for expenditure in subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

6. The Superintendent of Public Instruction shall, during the 1999-2001 biennium, report semiannually to the Interim Finance Committee and annually to the Legislative Committee on Education concerning the expenditures described in subsections 2 and 4 of this section.

7. The Department of Education shall, on or before February 15, 2001, provide a report to the 71st session of the Nevada Legislature which includes all expenditures described in sections 2 and 4 of this section.

8. For the purposes of carrying out the provisions of this section, the Department of Education is not subject to the provisions of chapter 233F or 242 of NRS.

**Sec. 24.** 1. The Department of Education is hereby authorized to spend the following amounts from the state distributive school account during the 1999-2001 biennium:

(a) For the Commission on Educational Technology to grant to local school districts for schools that were unable to reach the minimal level of educational technology for the classroom or computer laboratory recommended by the Commission, \$1,300,000 for fiscal year 1999-2000 and \$1,400,000 for fiscal year 2000-2001.

(b) For the Commission on Educational Technology to grant to school libraries for licenses to access research databases and other on-line resources appropriate for pupils, \$500,000 in fiscal year 1999-2000.

(c) For the Commission on Educational Technology to grant to local school districts to pay for maintenance contracts for software, \$500,000 in fiscal year 1999-2000 and \$500,000 in fiscal year 2000-2001.

- (d) For transfer to the Clark County School District to continue implementing the uniform, statewide satellite downlink project, \$400,000 in fiscal year 1999-2000 and \$400,000 in fiscal year 2000-2001.
- (e) For the school to careers program to provide base-level grants of \$25,000 to each school district and institution of higher education within the University and Community College System, with the remaining funds allocated among the school districts on a per-pupil basis, \$1,000,000 in fiscal year 1999-2000 and \$1,000,000 in fiscal year 2000-2001.
- (f) For grants to school districts and community-based organizations for early childhood education and family literacy programs for pre-school children and their parents, \$500,000 in fiscal year 1999-2000 and \$500,000 in fiscal year 2000-2001.

2. Except for paragraph (b) of subsection 1, the sums authorized for expenditure in subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2001, and reverts to the state distributive school account as soon as all payments of money committed have been made.

**Sec. 25.** The sums appropriated or authorized in sections 16 to 21, inclusive, and sections 23 and 24 of this act:

- 1. Must be accounted for separately from any other money received by the school districts of this state and used only for the purposes specified in the applicable section of this act.
- 2. May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations.
- 3. May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

**Sec. 26.** The Department of Education is hereby authorized to spend from the state distributive school account the sum of \$3,687,525 to be apportioned among the school districts for the fiscal year 1999-2000 in the amounts listed below to replace the revenue from the tax on net proceeds of minerals that will be collected during fiscal year 1999-2000 but are, pursuant to sections 3 and 4 of this act, reserved for expenditure in fiscal year 2000-2001:

| <u>School District</u> | Payment for Tax<br>on Net Proceeds<br>of Minerals |
|------------------------|---|
| Carson City.....       | \$ 0  |
| Churchill.....         | \$30,000  |
| Clark.....             | \$42,000  |
| Douglas.....           | \$300   |
| Elko .....             | \$975,000   |
| Esmeralda .....        | \$4,500   |
| Eureka.....            | \$900,000   |
| Humboldt.....          | \$26,25   |
| 0                      |   |

|                  |                 |
|------------------|-----------------|
| Lander.....      | \$1,275,000     |
| Lincoln .....    | \$375           |
| Lyon.....        | \$975           |
| Mineral .....    | \$7,500         |
| Nye .....        | \$142,500       |
| Pershing.....    | \$195,000       |
| Storey.....      | \$4,500         |
| Washoe.....      | \$4,875         |
| White Pine ..... | <u>\$78,750</u> |
|                  | \$3,687,525     |

For the fiscal year 1999-2000, the sums apportioned to each school district shall be considered as the portion of the tax of 75 cents on each \$100 of assessed valuation of taxable property within the county for the support of public schools within the county school district which is attributable to the school districts' share of the tax on net proceeds of minerals.

**Sec. 27.** Beginning on July 1, 1999, estate tax receipts must be deposited into the fund for school improvement and an amount not to exceed \$13,891,737 must be transferred from the fund for school improvement to the state distributive school account in each fiscal year of the 1999-2001 biennium.

**Sec. 28.** Section 55 of chapter 473, Statutes of Nevada 1997, at page 1784, is hereby amended to read as follows:

**Sec. 55.** 1. There is hereby appropriated from the state general fund to the department of education for the fiscal year 1998-1999 ~~[the]~~ :

(a) *The sum of ~~[\$271,500]~~ \$201,500 to pay the costs incurred by the department of education for developing, writing and printing the examinations required of pupils pursuant to paragraph (b) of subsection 4 of section 45 of ~~[this act.]~~ chapter 473, Statutes of Nevada 1997; and*

*(b) The sum of \$70,000 to pay the costs incurred by the department of education for writing test questions and developing additional forms for the high school proficiency examination required by NRS 389.015.*

2. Any remaining balance of the ~~appropriation~~ appropriations made by subsection 1 must not be committed for expenditure after June 30, 1999, and reverts to the state general fund as soon *as* all payments of money committed have been made.

**Sec. 29.** Each school district shall expend the revenue made available through this act, as well as other revenue from state, local and federal sources, in a manner that is designed to attain the goals of the Legislature regarding educational reform in this state, especially with regard to assisting pupils in need of remediation and pupils who are not proficient in the English language.

**Sec. 30.** 1. Section 28 of this act becomes effective upon passage and approval.

2. This section and the remaining sections of this act become effective on July 1, 1999.

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