

ASSEMBLY BILL NO. 351—ASSEMBLYMEN WILLIAMS, BACHE, ARBERRY,  
MANENDO, OHRENSCHALL, ANDERSON, BUCKLEY, CHOWNING,  
CLABORN, DE BRAGA, GIUNCHIGLIANI, GOLDWATER, KOIVISTO,  
LESLIE, MCCLAIN, OCEGUERA, PARKS AND PARNELL

MARCH 13, 2001

Referred to Committee on Education

SUMMARY—Makes various changes regarding delegation by school district of its  
responsibility for management of public schools. (BDR 34-1292)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to education; requiring the board of trustees of a school district to make  
certain disclosures, hold public meetings and solicit public comment before  
entering into certain contracts relating to the delegation of its responsibility for  
the management of public schools; requiring the superintendent of public  
instruction to withhold a certain portion of a school district's apportionment from  
the state distributive school account under certain circumstances; providing that  
certain related requirements apply to the renewal of such contracts that were  
entered into before the effective date of this act; and providing other matters  
properly relating thereto.

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

- 1     **Section 1.** Chapter 386 of NRS is hereby amended by adding thereto  
2     the provisions set forth as sections 2, 3 and 4 of this act.  
3     **Sec. 2. 1.** *If the board of trustees of a school district is considering*  
4     *whether to enter into a contract or other agreement to delegate to*  
5     *another its responsibility to operate, manage or oversee a school of the*  
6     *school district or is otherwise pursuing such a contractual relationship,*  
7     *the board of trustees shall provide notice to the superintendent of schools*  
8     *of the school district, each administrator who is employed by the board of*  
9     *trustees to perform administrative duties at the district level and each*  
10    *administrator employed at a school that is under such consideration.*  
11    *Each person who is so notified shall disclose to the board of trustees if*  
12    *he, or any member of his family who is related to him within the third*  
13    *degree of consanguinity or affinity, has a personal pecuniary interest in*



\* A B 3 5 1 R 2 \*

1 *the corporation or other entity with whom the board of trustees desires to*  
2 *contract.*

3 2. *If the board of trustees of a school district is considering whether*  
4 *to enter into a contract or other agreement to delegate to another its*  
5 *responsibility to operate, manage or oversee a school of the school*  
6 *district or is otherwise pursuing such a contractual relationship, the*  
7 *board of trustees shall:*

8 (a) *Hold at least one public meeting regarding the potential*  
9 *agreement within the zone of attendance of each school that is under*  
10 *consideration.*

11 (b) *At least 5 school days before the date of the meeting, cause notice*  
12 *of the purpose, date and time of the meeting to be published in at least*  
13 *one newspaper of general circulation within the county.*

14 (c) *At least 5 school days before the date of the meeting, provide*  
15 *written notice of the meeting to each parent and legal guardian of a pupil*  
16 *who is enrolled in a school that is under consideration. The written*  
17 *notice may be included with other notices provided to parents and legal*  
18 *guardians of pupils if the notice is provided within the time prescribed in*  
19 *this paragraph.*

20 (d) *Take such other action as is necessary to ensure that all the*  
21 *parents and legal guardians of pupils who are enrolled in a school that is*  
22 *under consideration are aware that the board of trustees is considering*  
23 *whether to enter into a contract or agreement and of the date and time of*  
24 *the public meeting.*

25 3. *At a public meeting held by the board of trustees pursuant to*  
26 *subsection 2, the board of trustees shall:*

27 (a) *Provide full disclosure of the source of any donations that are*  
28 *expected to be made or that have been made to the proposed contractor in*  
29 *connection with the contract or agreement or to otherwise carry out the*  
30 *contract or agreement;*

31 (b) *Provide a written report that indicates whether a member of the*  
32 *board of trustees, or any member of his family who is related to him*  
33 *within the third degree of consanguinity or affinity, has a personal*  
34 *pecuniary interest in the corporation or other entity with whom the board*  
35 *of trustees desires to contract;*

36 (c) *Provide a written report that indicates whether any person who is*  
37 *required to make a disclosure pursuant to subsection 1, or any member*  
38 *of his family who is related to him within the third degree of*  
39 *consanguinity or affinity, has a personal pecuniary interest in the*  
40 *corporation or other entity with whom the board of trustees desires to*  
41 *contract; and*

42 (d) *Reserve a significant portion of the meeting for the board of*  
43 *trustees to:*

44 (1) *Receive public comment on the proposed contract or agreement;*  
45 *and*

46 (2) *Respond to or discuss any related questions.*

47 4. *If, after complying with the provisions of this section, the board of*  
48 *trustees of a school district decides to pursue a contract or other*  
49 *agreement to delegate to another its responsibility to operate, manage or*



1 *oversee a school of the school district, the board of trustees may submit a*  
2 *written request for legislative approval pursuant to section 3 of this act.*

3 **Sec. 3.** *1. The superintendent of public instruction shall not*  
4 *apportion money from the state distributive school account, in an amount*  
5 *prescribed in subsection 4, to a school district that has entered into a*  
6 *contract or other agreement to delegate to another its responsibility to*  
7 *operate, manage or oversee a school of the school district unless the*  
8 *board of trustees of the school district has:*

9 *(a) Complied with section 2 of this act; and*

10 *(b) Received approval to enter into the contract or agreement from the*  
11 *legislature by concurrent resolution.*

12 *2. The board of trustees of a school district may submit a written*  
13 *request for legislative approval pursuant to subsection 1 to the director of*  
14 *the legislative counsel bureau for transmission to the legislature. A*  
15 *written request must include, without limitation:*

16 *(a) A description of the manner in which the board of trustees*  
17 *solicited participation of the parents and legal guardians of pupils who*  
18 *are enrolled in a school that is under consideration, including, without*  
19 *limitation, a description of the public comment that was received at each*  
20 *public meeting which was held pursuant to section 2 of this act;*

21 *(b) A description of the source of any donations that are expected to*  
22 *be made or that have been made to the proposed contractor in connection*  
23 *with the contract or agreement or to otherwise carry out the contract or*  
24 *agreement;*

25 *(c) A report that indicates whether any member of the board of*  
26 *trustees, the superintendent of schools of the school district, any*  
27 *administrator who is employed by the board of trustees to perform*  
28 *administrative duties at the district level or any administrator employed*  
29 *at a school that is under consideration, or any member of the family of a*  
30 *person described in this paragraph who is related within the third degree*  
31 *of consanguinity or affinity, has a personal pecuniary interest in the*  
32 *corporation or other entity with whom the board of trustees desires to*  
33 *contract;*

34 *(d) The identity of the employees of the school district who were*  
35 *primarily responsible for the decisions relating to the operation and*  
36 *management of the school for the 4 years immediately preceding the date*  
37 *of the request;*

38 *(e) A description of the means by which the board of trustees will*  
39 *ensure:*

40 *(1) That the uniform system of common schools that is required by*  
41 *section 2 of article 11 of the constitution of the State of Nevada will not*  
42 *be disrupted by the proposed delegation;*

43 *(2) That the proposed operation, oversight or management of each*  
44 *school pursuant to the proposed contract or agreement will comply with*  
45 *all applicable judicial precedents, constitutional requirements and*  
46 *statutory requirements, including, without limitation, requirements*  
47 *relating to racial and ethnic composition of the public schools within the*  
48 *school district;*



- 1       (3) That no disparate effect on the financial equity of the public  
2 schools within the school district is caused by the operation, oversight or  
3 management of each school pursuant to the proposed contract or  
4 agreement;
- 5       (4) Whether the provision of special education and services to  
6 pupils with disabilities who are enrolled in a school that is covered by the  
7 proposed contract or agreement comply with the Individuals with  
8 Disabilities Education Act (20 U.S.C. §§ 1400 et seq.) and NRS 388.440  
9 to 388.520, inclusive; and
- 10       (5) That an appropriate and comprehensive program of education  
11 will be provided to Nevada's pupils who attend a school that is covered by  
12 the proposed contract or agreement, including, without limitation,  
13 whether the classroom setting in each such school is appropriate,  
14 whether the teachers in those schools are qualified and whether the  
15 curriculum is nonsectarian and otherwise comports with the statutory  
16 and regulatory requirements.
- 17       (f) If the school has been designated as demonstrating need for  
18 improvement pursuant to NRS 385.367 or 385.368 within the  
19 immediately preceding year:
- 20       (1) A description of the action taken by the school and the school  
21 district to improve the academic success of the school; and
- 22       (2) A description of the adjustments in the allocation of financial  
23 resources of the school district that are necessary to improve the  
24 academic success of the school.
- 25       3. The review by the legislature of a written request submitted  
26 pursuant to subsection 2 must include, without limitation, an analysis  
27 and determination of whether it is reasonable for the State of Nevada to  
28 conclude:
- 29       (a) That the uniform system of common schools that is required by  
30 section 2 of article 11 of the constitution of the State of Nevada will not  
31 be disrupted by the proposed delegation;
- 32       (b) That the proposed operation, oversight or management of each  
33 school pursuant to the proposed contract or agreement will comply with  
34 all applicable judicial precedents, constitutional requirements and  
35 statutory requirements, including, without limitation, requirements  
36 relating to racial and ethnic composition of the public schools within the  
37 school district;
- 38       (c) That no disparate effect on the financial equity of the public  
39 schools within the school district will be caused by the operation,  
40 oversight or management of each school pursuant to the proposed  
41 contract or agreement;
- 42       (d) That the special education and services provided to pupils with  
43 disabilities who are enrolled in a school that is covered by the proposed  
44 contract or agreement will comply with the Individuals with Disabilities  
45 Education Act (20 U.S.C. §§ 1400 et seq.) and NRS 388.440 to 388.520,  
46 inclusive; and
- 47       (e) That an appropriate and comprehensive program of education will  
48 be provided to Nevada's pupils who attend a school that is covered by the  
49 proposed contract or agreement, including, without limitation, whether



1 *the classroom setting in each such school will be appropriate, whether*  
2 *the teachers in those schools will be sufficiently qualified, and whether*  
3 *the curriculum will remain nonsectarian and otherwise comport with the*  
4 *applicable statutory and regulatory requirements.*

5 4. *If a school district enters into such a contract or other agreement*  
6 *without obtaining the approval from the legislature in accordance with*  
7 *this section, the superintendent of public instruction shall take such*  
8 *action as is necessary to reduce the amount of money received by the*  
9 *school district pursuant to NRS 387.124 by an amount equal to the*  
10 *product when the following numbers are multiplied together:*

11 (a) *For each school that is the subject of the contract or agreement,*  
12 *the number of days on which another person or entity operates, manages*  
13 *or oversees the school pursuant to that contract or agreement without*  
14 *approval from the legislature;*

15 (b) *For each school that is the subject of the contract or agreement,*  
16 *the number of pupils enrolled in the school; and*

17 (c) *For each school that is the subject of the contract or agreement,*  
18 *the number of dollars of basic support apportioned to the school district*  
19 *per pupil per day pursuant to NRS 387.1233.*

20 Sec. 4. *If the board of trustees of a school enters into a contract or*  
21 *other agreement for the operation, management or oversight of a school,*  
22 *the board of trustees of the school district:*

23 1. *Remains responsible for complying with all applicable statutes and*  
24 *regulations relating to that school, including, without limitation, NRS*  
25 *385.3455 to 385.391, inclusive; and*

26 2. *If the superintendent of public instruction appoints a licensed*  
27 *administrator to oversee that school pursuant to NRS 385.386, shall*  
28 *ensure that the person or entity with whom the board has entered into the*  
29 *contract complies with all recommendations and actions required by the*  
30 *administrator who was appointed by the superintendent of public*  
31 *instruction.*

32 Sec. 5. NRS 387.124 is hereby amended to read as follows:

33 387.124 Except as otherwise provided in *this section*, NRS 387.528 ~~+~~  
34 *and section 3 of this act:*

35 1. On or before August 1, November 1, February 1 and May 1 of each  
36 year, the superintendent of public instruction shall ~~+~~*except as otherwise*  
37 ~~provided in subsections 2 and 3,~~ apportion the state distributive school  
38 account in the state general fund among the several county school districts  
39 and charter schools in amounts approximating one-fourth of their  
40 respective yearly apportionments less any amount set aside as a reserve.  
41 The apportionment to a school district, computed on a yearly basis, equals  
42 the difference between the basic support and the local funds available  
43 pursuant to NRS 387.1235, minus all the funds attributable to pupils who  
44 reside in the county but attend a charter school. No apportionment may be  
45 made to a school district if the amount of the local funds exceeds the  
46 amount of basic support. The apportionment to a charter school, computed  
47 on a yearly basis, is equal to the sum of the basic support per pupil in the  
48 county in which the pupil resides plus the amount of local funds available  
49 per pupil pursuant to NRS 387.1235 and all other funds available for public



1 schools in the county in which the pupil resides. If the apportionment per  
2 pupil to a charter school is more than the amount to be apportioned to the  
3 school district in which a pupil who is enrolled in the charter school  
4 resides, the school district in which the pupil resides shall pay the  
5 difference directly to the charter school.

6 2. The governing body of a charter school may submit a written  
7 request to the superintendent of public instruction to receive, in the first  
8 year of operation of the charter school, an apportionment 30 days before  
9 the apportionment is required to be made pursuant to subsection 1. Upon  
10 receipt of such a request, the superintendent of public instruction may  
11 make the apportionment 30 days before the apportionment is required to be  
12 made. A charter school may receive all four apportionments in advance in  
13 its first year of operation.

14 3. If the state controller finds that such an action is needed to maintain  
15 the balance in the state general fund at a level sufficient to pay the other  
16 appropriations from it, he may pay out the apportionments monthly, each  
17 approximately one-twelfth of the yearly apportionment less any amount set  
18 aside as a reserve. If such action is needed, the state controller shall submit  
19 a report to the department of administration and the fiscal analysis division  
20 of the legislative counsel bureau documenting reasons for the action.

21 **Sec. 6.** This act applies to the board of trustees of a school district for  
22 any contract or other agreement entered into on or after the effective date  
23 of this act, regardless of whether negotiations for the contract or agreement  
24 began before that date.

25 **Sec. 7.** If the board of trustees of a school district enters into a  
26 contract or other agreement before the effective date of this act to delegate  
27 to another its responsibility for the operation, management or oversight of a  
28 school:

29 1. The board of trustees shall, not later than 60 days after the effective  
30 date of this act, prepare a written report available to the general public that:

31 (a) Provides full disclosure of the source of any donations that are  
32 expected to be made or that have been made to the contractor in connection  
33 with the contract or agreement or to otherwise carry out the contract or  
34 agreement; and

35 (b) Indicates whether any member of the board of trustees, the  
36 superintendent of schools of the school district, any administrator who is  
37 employed by the board of trustees to perform administrative duties at the  
38 district level or any administrator employed at a school that is covered by  
39 the contract or agreement, or any member of the family of a person  
40 described in this paragraph who is related within the third degree of  
41 consanguinity or affinity, has a personal pecuniary interest in the  
42 corporation or entity with whom the board of trustees entered into the  
43 contract.

44 2. The first renewal of such a contract or agreement, or an amendment  
45 that serves as a renewal of the contract or agreement, after the effective  
46 date of this act shall be deemed for the purposes of this act to be the  
47 entrance into a new contract or agreement to which the provisions of  
48 sections 2, 3 and 4 of this act apply. If the first renewal of such a contract  
49 or agreement, or an amendment that serves as a renewal of the contract or



1 agreement, after the effective date of this act does not comply with the  
2 provisions of sections 2, 3 and 4 of this act, such a renewal or amendment  
3 is void.

4 **Sec. 8.** If the board of trustees of a school district enters into a  
5 contract or other agreement before the effective date of this act to delegate  
6 to another its responsibility for the operation, management or oversight of a  
7 school and the board of trustees has not received the approval to enter into  
8 the contract or agreement from the legislature by concurrent resolution, the  
9 superintendent of public instruction shall take such action as is necessary to  
10 reduce the amount of money received by the school district pursuant to  
11 NRS 387.124 by an amount equal to the product when the following  
12 numbers are multiplied together:

13 1. For each school that is the subject of the contract or agreement, the  
14 number of days on which another person or entity operates, manages or  
15 oversees the school pursuant to that contract or agreement without approval  
16 from the legislature by concurrent resolution;

17 2. For each school that is the subject of the contract or agreement, the  
18 number of pupils enrolled in the school; and

19 3. For each school that is the subject of the contract or agreement, the  
20 number of dollars of basic support apportioned to the school district per  
21 pupil per day pursuant to NRS 387.1233.

22 **Sec. 9.** This act becomes effective upon passage and approval.

