ASSEMBLY BILL NO. 228-ASSEMBLYMEN MCCLEARY, PARNELL, MANENDO, MUNFORD, CLABORN, ANDERSON, ATKINSON, BUCKLEY, CONKLIN, GERHARDT, KOIVISTO, MCCLAIN, MORTENSON, OCEGUERA, PARKS AND PIERCE

MARCH 21, 2005

Referred to Concurrent Committees on Education and Ways and Means

SUMMARY—Makes various changes concerning compensation of teachers and requires Department of Education to study effectiveness of financial incentives. (BDR 34-440)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

> CONTAINS UNFUNDED MANDATE (§§ 2, 5) (NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to educational personnel; prescribing a minimum base salary for certain teachers; requiring the board of trustees of each school district to increase the annual base salary of each licensed teacher in the district by a certain percentage; requiring the Department of Education to establish a task force to study the effectiveness of financial incentives on the recruitment and retention of qualified teachers; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the guidelines by which a school district must determine the salaries of licensed teachers and other school personnel. (NRS 391.160)

This bill requires a school district to pay a teacher who is initially hired on or after July 1, 2007, not less than \$32,500 annually. All school districts are required to adjust the schedule of salaries of the school district for licensed teachers to ensure that each step on the schedule is increased accordingly. This bill also requires the annual base salary of all licensed teachers to be cumulatively increased,



commencing on July 1, 2007, by any percentage by which the Consumer Price Index increases for the preceding calendar year, plus 1 percent in addition to any other increase to which the teacher may be entitled. The annual base salary of a teacher may not decrease, however, if the Consumer Price Index decreases for a calendar year.

This bill further requires the Department of Education to establish a task force to conduct a study of the effectiveness of financial incentives in recruiting and retaining qualified teachers. The task force must examine the effectiveness of programs that require the purchase of retirement credits for certain teachers and that provide signing bonuses for newly hired teachers. The task force must submit a report of its findings and recommendations to the State Board of Education and to the Legislature.

WHEREAS, An effective system of public instruction in this State is essential to the success of Nevada's children and other residents of this State: and

WHEREAS, The retention of qualified, competent and experienced teachers is vital to a strong system of public instruction; and

WHEREAS, Teachers in this State may leave the profession for higher-paying jobs offered by other professions; and

WHEREAS, The salaries of teachers should be established to:

- 1. Attract persons with the appropriate education and characteristics to select teaching as a career;
 - 2. Retain qualified, competent and experienced teachers; and
- 3. Provide teachers with the opportunity to achieve a reasonable salary that is commensurate with experience, education and responsibilities; and

WHEREAS, The salaries of teachers in this State should be established with the goal of ensuring that the teaching profession is in a position to compete effectively with other professions for talented persons who might consider the teaching profession, but who are attracted to other, higher-paying professions; now, therefore,

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

Section 1. NRS 387.303 is hereby amended to read as follows: 387.303 1. Not later than November 10 of each year, the board of trustees of each school district shall submit to the Superintendent of Public Instruction and the Department of Taxation a report which includes the following information:

(a) For each fund within the school district, including, without limitation, the school district's general fund and any special revenue fund which receives state money, the total number and salaries of



licensed and nonlicensed persons whose salaries are paid from the fund and who are employed by the school district in full-time positions or in part-time positions added together to represent full-time positions. Information must be provided for the current school year based upon the school district's final budget, including any amendments and augmentations thereto, and for the preceding school year. An employee must be categorized as filling an instructional, administrative, instructional support or other position.

- (b) The count of pupils computed pursuant to paragraph (a) of subsection 1 of NRS 387.1233.
- (c) The school district's actual expenditures in the fiscal year immediately preceding the report.
- (d) The school district's proposed expenditures for the current fiscal year.
- (e) The schedule of salaries for licensed employees in the current school year and a statement of whether the negotiations regarding salaries for the current school year have been completed. If the negotiations have not been completed at the time the schedule of salaries is submitted, the board of trustees shall submit a supplemental report to the Superintendent of Public Instruction upon completion of negotiations or the determination of an arbitrator concerning the negotiations that includes the schedule of salaries agreed to or required by the arbitrator.
- (f) The number of teachers who received an increase in salary pursuant to subsection [2] 4 of NRS 391.160 for the current and preceding fiscal years. If the board of trustees is required to pay an increase in salary retroactively pursuant to subsection [2] 4 of NRS 391.160, the board of trustees shall submit a supplemental report to the Superintendent of Public Instruction not later than February 15 of the year in which the retroactive payment was made that includes the number of teachers to whom an increase in salary was paid retroactively.
- (g) The number of employees eligible for health insurance within the school district for the current and preceding fiscal years and the amount paid for health insurance for each such employee during those years.
- (h) The rates for fringe benefits, excluding health insurance, paid by the school district for its licensed employees in the preceding and current fiscal years.
- (i) The amount paid for extra duties, supervision of extracurricular activities and supplemental pay and the number of employees receiving that pay in the preceding and current fiscal years.



(j) The expenditures from the account created pursuant to subsection [3] 4 of NRS 179.1187. The report must indicate the total amount received by the district in the preceding fiscal year, and the specific amount spent on books and computer hardware and software for each grade level in the district.

- 2. On or before November 25 of each year, the Superintendent of Public Instruction shall submit to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, in a format approved by the Director of the Department of Administration, a compilation of the reports made by each school district pursuant to subsection 1.
- 3. The Superintendent of Public Instruction shall, in the compilation required by subsection 2, reconcile the revenues and expenditures of the school districts with the apportionment received by those districts from the State Distributive School Account for the preceding year.
 - **Sec. 2.** NRS 391.160 is hereby amended to read as follows:
- 391.160 1. The salaries of teachers and other employees must be determined by the character of the service required. A school district shall not discriminate between male and female employees in the matter of salary.
- 2. The board of trustees of each school district shall adjust the schedule of salaries of the school district to ensure that the starting salary of each licensed teacher who is initially hired by the school district on or after July 1, 2007, is at least \$32,500 annually. For the purposes of this subsection, a person is not "initially hired" if he has been employed as a licensed teacher by another school district or charter school in this State without an interruption in employment before the date of hire by his current employer.
- 3. The annual base salary of a licensed teacher who is employed by a school district must be cumulatively increased on July 1, 2007, and on July 1 of each year thereafter, by any percentage by which the Consumer Price Index (All Items) published by the United States Department of Labor increased, if applicable, for the preceding calendar year, plus 1 percent. An increase in salary given in accordance with this subsection is in addition to any other increase to which the teacher may otherwise be entitled, including, without limitation, the increase provided pursuant to subsection 4. If the Consumer Price Index decreases for a calendar year, the annual base salary of a teacher must not be decreased in accordance with the percentage of decrease in the Consumer Price Index.
- 4. Each year when determining the salary of a teacher who holds certification issued by the National Board for Professional



Teaching Standards, a school district shall add 5 percent to the salary that the teacher would otherwise receive in 1 year for his classification on the schedule of salaries for the school district if:

- (a) On or before January 31 of the school year, the teacher has submitted evidence satisfactory to the school district of his current certification; and
- (b) The teacher is assigned by the school district to provide classroom instruction during that school year.
- → No increase in salary may be given during a particular school year to a teacher who submits evidence of certification after January 31 of that school year. For the first school year that a teacher submits evidence of his current certification, the board of trustees of the school district to whom the evidence was submitted shall pay the increase in salary required by this subsection retroactively to the beginning of that school year. Once a teacher has submitted evidence of such certification to the school district, the school district shall retain the evidence in its records, as applicable, for future school years. An increase in salary given in accordance with this subsection is in addition to any other increase to which the teacher may otherwise be entitled.
- [3.] 5. In determining the salary of a licensed teacher who is employed by a school district after the teacher has been employed by another school district in this State, the present employer shall, except as otherwise provided in subsection [6:] 8:
- (a) Give the teacher the same credit for previous teaching service as he was receiving from his former employer at the end of his former employment;
- (b) Give the teacher credit for his final year of service with his former employer, if credit for that service is not included in credit given pursuant to paragraph (a); and
- (c) Place the teacher on the schedule of salaries of the school district in a classification that is commensurate with the level of education acquired by the teacher, as set forth in the applicable negotiated agreement with the present employer.
 - [4.] 6. A school district may give the credit required by subsection [3] 5 for previous teaching service earned in another state if the Commission has approved the standards for licensing teachers of that state. The Commission shall adopt regulations that establish the criteria by which the Commission will consider the standards for licensing teachers of other states for the purposes of this subsection. The criteria may include, without limitation, whether the Commission has authorized reciprocal licensure of educational personnel from the state under consideration.
 - [5.] 7. In determining the salary of a licensed administrator, other than the superintendent of schools, who is employed by a



school district after the administrator has been employed by another school district in this State, the present employer shall, except as otherwise provided in subsection [6:] 8:

- (a) Give the administrator the same credit for previous administrative service as he was receiving from his former employer, at the end of his former employment;
- (b) Give the administrator credit for his final year of service with his former employer, if credit for that service is not otherwise included in the credit given pursuant to paragraph (a); and
- (c) Place the administrator on the schedule of salaries of the school district in a classification that is comparable to the classification the administrator had attained on the schedule of salaries of his former employer.

[6.] 8. This section does not:

- (a) Require a school district to allow a teacher or administrator more credit for previous teaching or administrative service than the maximum credit for teaching or administrative experience provided for in the schedule of salaries established by it for its licensed personnel.
- (b) Permit a school district to deny a teacher or administrator credit for his previous teaching or administrative service on the ground that the service differs in kind from the teaching or administrative experience for which credit is otherwise given by the school district.
 - [7.] 9. As used in this section:
 - (a) "Previous administrative service" means the total of:
- (1) Any period of administrative service for which an administrator received credit from his former employer at the beginning of his former employment; and
- (2) His period of administrative service in his former employment.
 - (b) "Previous teaching service" means the total of:
 - (1) Any period of teaching service for which a teacher received credit from his former employer at the beginning of his former employment; and
 - (2) His period of teaching service in his former employment.
 - **Sec. 3.** 1. The Department of Education shall establish a task force to conduct a study of the effectiveness of financial incentives in recruiting and retaining qualified teachers, consisting of the following members:
 - (a) The Superintendent of Public Instruction, or his designee.
 - (b) One employee from each school district who is responsible for recruiting teachers for the school district, appointed by the superintendent of schools of that school district.



(c) One representative of the Nevada State Education Association, appointed by the President of that Association.

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- (d) Two teachers employed by the Clark County School District, appointed by the superintendent of schools of that school district.
- (e) Two teachers employed by the Washoe County School District, appointed by the superintendent of schools of that school district.
- (f) From two rural school districts selected by the Department of Education, two teachers appointed by the superintendent of schools in each of the selected school districts.
- → All appointments to the task force must be made on or before September 1, 2005.
- 2. The task force shall elect a chairman from among its members.
 - 3. The Department of Education shall provide:
 - (a) Administrative support to the task force; and
- (b) All information that is necessary for the task force to carry out its duties.
- 4. A member of the task force who is not a state officer or employee is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally for each day or portion of a day during which he attends a meeting of the task force or is otherwise engaged in the business of the task force. The Department of Education shall pay the per diem allowances and travel expenses required by this subsection.
- **Sec. 4.** The task force created pursuant to section 3 of this act shall:
 - 1. Study the effectiveness of financial incentives in attracting and retaining qualified teachers, including, without limitation, the signing bonuses provided to newly hired teachers by the 71st Session of the Legislature, section 4 of chapter 574, Statutes of Nevada 2001, at page 2899, and by the 72nd Session of the Legislature, paragraph (c) of subsection 2 of section 33 of chapter 327, Statutes of Nevada 2003, at page 1837, and the purchase of retirement credit required by NRS 391.165.
- 2. Determine whether the financial incentives studied pursuant to this section:
- 38 (a) Act as effective tools in recruiting and retaining qualified teachers;
- 40 (b) Create a disparity that negatively impacts the retention of teachers who do not receive the incentives; and
 - (c) Dissipate over time as effective tools for recruiting and retaining qualified teachers.
 - 3. Determine the financial incentives that are most effective in recruiting and retaining qualified teachers, the appropriate level of



those financial incentives and the feasibility of providing those incentives to licensed teachers in this State.

- 4. On or before February 1, 2007, submit a report of its findings and any recommendations to the State Board of Education and the Director of the Legislative Counsel Bureau for transmission to the 74th Session of the Nevada Legislature.
- **Sec. 5.** The board of trustees of each school district shall adjust each step on the schedule of salaries of the school district for licensed teachers, hired before July 1, 2007, to ensure that the salary of each step is increased by a percentage that is commensurate with the percentage of the increase on the schedule of salaries necessary to make the annual starting salary of a licensed teacher \$32,500 in accordance with NRS 391.160, as amended by this act. The adjustments required by this section must be effective for the 2007-2008 school year and thereafter.
- **Sec. 6.** The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.
 - **Sec. 7.** This act becomes effective on July 1, 2005.



