

ASSEMBLY BILL NO. 461—COMMITTEE ON WAYS AND MEANS

MARCH 28, 2005

Referred to Committee on Ways and Means

SUMMARY—Makes appropriation to Department of Education for programs of performance pay and enhanced compensation for recruitment, retention and mentoring of licensed personnel. (BDR S-1391)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Contains Appropriation not included in Executive Budget.

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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; making an appropriation to the Department of Education for distribution to school districts that adopt programs of performance pay and enhanced compensation for the recruitment, retention and mentoring of licensed personnel; 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.** 1. There is hereby appropriated from the State
2 General Fund to the Department of Education the sum of
3 \$10,000,000 for grants of money to school districts that adopt a
4 program of performance pay and enhanced compensation for the
5 recruitment, retention and mentoring of licensed personnel pursuant
6 to this section.
7 2. To receive a grant of money, the board of trustees of a
8 school district may submit an application to the Department of
9 Education that:
10 (a) Sets forth a program of performance pay and enhanced
11 compensation for the recruitment, retention and mentoring of
12 licensed personnel adopted by the school district and negotiated



pursuant to chapter 288 of NRS, which includes one or more of the following components:

(1) Skills-based pay pursuant to which licensed employees develop certain skills verified through licensure, certification or some other method.

(2) A "career ladder" program, pursuant to which licensed employees who perform at or above specified standards receive an increase in compensation. Each step requires additional growth, professional development, expertise and additional responsibilities, including, without limitation, mentoring.

(3) A program for the mentoring of teachers that provides for the payment of increased compensation for mentor teachers and that includes criteria for the selection of mentor teachers and teachers who will be mentored.

(4) Market-based pay, pursuant to which one-time bonuses are paid to retain licensed employees who provide instruction in high-need subject areas such as mathematics, science and special education and to retain licensed employees who teach in at-risk schools.

(5) The payment of signing bonuses and other financial incentives for licensed employees who:

(I) Are newly hired by the school district and have been employed by the school district for at least 30 days; and

(II) Have not been previously employed by a school district in this State.

(6) The payment of bonuses to licensed employees based upon the attainment of specified standards of achievement by pupils.

(7) Notwithstanding the provisions of NRS 391.165 to the contrary, the payment to licensed employees of the cost of purchasing service pursuant to subsection 2 of NRS 286.300 or the payment of equivalent financial incentives. If a school district makes payments pursuant to this subparagraph, it shall be deemed to have complied with NRS 391.165 on behalf of each employee who is otherwise eligible for the purchase of service pursuant to that section for each year of the 2005-2007 biennium that the school district makes payments pursuant to this subparagraph.

(b) Includes the amount of money necessary to pay the enhanced compensation pursuant to the program.

(c) Includes the number of licensed employees who are estimated to be eligible for enhanced compensation pursuant to the program.

3. To the extent money is available from the appropriation made by subsection 1, the Department of Education shall provide



1 grants of money to school districts with approved applications based
2 upon the amount of money that is necessary to carry out each
3 program. If an insufficient amount of money is available to pay for
4 each program, the money from the appropriation must be distributed
5 pro rata based upon the number of licensed employees who are
6 estimated to be eligible to participate in the program in each school
7 district with an approved application.

8 4. The Department of Education shall, in consultation with
9 representatives appointed by the Nevada Association of School
10 Superintendents and the Nevada Association of School Boards,
11 develop a formula for identifying at-risk schools for purposes of this
12 section. The formula must be developed on or before July 1, 2005,
13 and include, without limitation, the following factors:

14 (a) The percentage of pupils who are eligible for free or reduced
15 price lunches pursuant to 42 U.S.C. §§ 1751 et seq.;

16 (b) The transiency rate of pupils;

17 (c) The percentage of pupils who are limited English proficient;

18 (d) The percentage of pupils who have individualized education
19 programs;

20 (e) The percentage of pupils who score in the bottom two
21 quarters on the mathematics portion or the reading portion, or both,
22 of the high school proficiency examination; and

23 (f) The percentage of pupils who drop out of high school before
24 graduation.

25 5. The board of trustees of each school district that receives a
26 grant of money pursuant to this section shall evaluate the
27 effectiveness of the program for which the grant was awarded. The
28 evaluation must include, without limitation, an evaluation of
29 whether the program is effective in recruiting and retaining qualified
30 licensed personnel. On or before February 1, 2007, the board of
31 trustees shall submit a report of its evaluation and any
32 recommendations to the:

33 (a) State Board of Education.

34 (b) Department of Education.

35 (c) Legislative Committee on Education.

36 (d) Director of the Legislative Counsel Bureau for transmission
37 to the 74th Session of the Nevada Legislature.

38 **Sec. 2.** Any remaining balance of the appropriation made by
39 section 1 of this act must not be committed for expenditure after
40 June 30, 2007, and must be reverted to the State General Fund on or
41 before September 21, 2007.

42 **Sec. 3.** 1. This section becomes effective upon passage and
43 approval.



- 1 2. Section 1 of this act becomes effective upon passage and
2 approval for the purpose of developing a formula defining at-risk
3 schools and on July 1, 2005, for all other purposes.
- 4 3. Section 2 of this act becomes effective on July 1, 2005.

