## ASSEMBLY BILL NO. 526-COMMITTEE ON EDUCATION

(ON BEHALF OF THE DEPARTMENT OF EDUCATION)

## MARCH 29, 2005

Referred to Concurrent Committees on Education and Ways and Means

SUMMARY—Revises provisions governing class-size reduction program and National School Lunch Program. (BDR 34-377)

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

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

AN ACT relating to education; revises provisions governing the appropriation and apportionment of money for school districts that participate in the National School Lunch Program; eliminating the requirements for the reduction of pupil-teacher ratios for kindergarten; revising the pupil-teacher ratios for class-size reduction for grades 1, 2 and 3; 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.** NRS 387.105 is hereby amended to read as follows: 387.105 *I*. To enable the State Board [of Education] to provide for the establishment, maintenance, operation and expansion of programs of nutrition, money must be provided by legislative appropriation from the General Fund as a budgeted part of the appropriation for the support of the Department and must be paid out on claims as other claims against the State are paid.

2. In addition to the amounts provided pursuant to subsection 1, money must be provided by legislative appropriation in an amount that satisfies the amount required as a matching grant



from this State for participation in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq., which must be designated as the "Nutrition State Match." For those school districts that participate in the National School Lunch Program, the amount appropriated must be a reduction in the total amount of basic support calculated for those school districts pursuant to NRS 387.1233 and must be distributed in accordance with NRS 387.124. Each school district receiving money that is designated as a "Nutrition State Match" shall verify that the money is used to support the National School Lunch Program in the public schools located within the school district.

**Sec. 2.** NRS 387.124 is hereby amended to read as follows: 387.124 Except as otherwise provided in this section and NRS 387.528:

- 1. On or before August 1, November 1, February 1 and May 1 of each year, the Superintendent of Public Instruction shall apportion the State Distributive School Account in the State General Fund among the several county school districts and charter schools in amounts approximating one-fourth of their respective yearly apportionments less any amount set aside as a reserve. The apportionment to a school district, computed on a yearly basis, equals the difference between the basic support and the local funds available pursuant to NRS 387.1235, minus all the funds attributable to pupils who reside in the county but attend a charter school and all the funds attributable to pupils who reside in the county and are enrolled full time or part time in a program of distance education provided by another school district or a charter school. No apportionment may be made to a school district if the amount of the local funds exceeds the amount of basic support. If an agreement is not filed for a pupil who is enrolled in a program of distance education as required by NRS 388.854, the Superintendent of Public Instruction shall not apportion money for that pupil to the board of trustees of the school district in which the pupil resides, or the board of trustees or governing body that provides the program of distance education.
- 2. Except as otherwise provided in subsection 3, the apportionment to a charter school, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides minus all the funds attributable to pupils who are enrolled in the charter school but are concurrently enrolled part time in a program of distance education provided by a school district or another charter school. If the apportionment per pupil to a charter school is more than the



amount to be apportioned to the school district in which a pupil who is enrolled in the charter school resides, the school district in which the pupil resides shall pay the difference directly to the charter school.

- 3. Except as otherwise provided in this subsection, the apportionment to a charter school that is sponsored by the State Board, computed on a yearly basis, is equal to:
- (a) The sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides; or
- (b) The statewide average per pupil amount for pupils who are enrolled full time,
- whichever is greater. If the calculation set forth in paragraph (a) is less than the calculation pursuant to paragraph (b), the school district in which the charter school is located shall pay the difference directly to the charter school. If a charter school provides a program of distance education pursuant to NRS 388.820 to 388.874, inclusive, the apportionment to the charter school for pupils who are enrolled in the program of distance education must be calculated as set forth in subsection 2 or 4, as applicable.
- 4. In addition to the apportionments made pursuant to this section, an apportionment must be made to a school district or charter school that provides a program of distance education for each pupil who is enrolled part time in the program if an agreement is filed for that pupil pursuant to NRS 388.854 or 388.858, as applicable. The amount of the apportionment must be equal to the percentage of the total time services are provided to the pupil through the program of distance education per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 387.1233 for the school district in which the pupil resides.
- 5. The governing body of a charter school may submit a written request to the Superintendent of Public Instruction to receive, in the first year of operation of the charter school, an apportionment 30 days before the apportionment is required to be made pursuant to subsection 1. Upon receipt of such a request, the Superintendent of Public Instruction may make the apportionment 30 days before the apportionment is required to be made. A charter school may receive all four apportionments in advance in its first year of operation.
- 6. The Superintendent of Public Instruction shall apportion, on or before August 1 of each year, the money designated as the "Nutrition State Match" pursuant to NRS 387.105 to those school



districts that participate in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq. The apportionment to a school district must be directly related to the district's reimbursements for the Program as compared with the total amount of reimbursements for all school districts in this State that participate in the Program.

7. If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, he may pay out the apportionments monthly, each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau documenting reasons for the action.

**Sec. 3.** NRS 387.304 is hereby amended to read as follows: 387.304 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:
- 31 (a) Long-term obligations in excess of the general obligation 32 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.
- 44 4. Provide, in consultation with the Budget Division of the 45 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.

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- NRS 388.700 is hereby amended to read as follows:
- 388.700 1. Except as otherwise provided in subsections 2, 3 and 6, after the last day of the first month of the school year, the ratio in each school district of pupils per class in [kindergarten and grades 1, 2 and 31:
- (a) Grades 1 and 2 per licensed teacher designated to teach those classes full time must not exceed [15] 16 to 1 in classes where core curriculum is taught.
- (b) Grade 3 per licensed teacher designated to teach those classes full time must not exceed 19 to 1 in classes where core curriculum is taught.
- → In determining this ratio, all licensed educational personnel who teach [kindergarten or] grade 1, 2 or 3 must be counted except teachers of art, music, physical education or special education, counselors, librarians, administrators, deans and specialists.
- A school district may, within the limits of any plan adopted pursuant to NRS 388.720, assign a pupil whose enrollment in a grade occurs after the last day of the first month of the school year to any existing class regardless of the number of pupils in the class.
- The State Board may grant to a school district a variance from the limitation on the number of pupils per class set forth in subsection 1 for good cause, including the lack of available financial support specifically set aside for the reduction of pupil-teacher ratios.
- The State Board shall, on or before February 1 of each odd-4. numbered year, report to the Legislature on:
  - (a) Each variance granted by it during the preceding biennium, including the specific justification for the variance.
  - (b) The data reported to it by the various school districts pursuant to subsection 2 of NRS 388.710, including an explanation of that data, and the current pupil-teacher ratios per class in [kindergarten and] grades 1, 2 and 3.
  - The Department shall, on or before November 15 of each year, report to the Chief of the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau:
    - (a) The number of teachers employed;
- 40 (b) The number of teachers employed in order to attain the ratio 41 required by subsection 1;
  - (c) The number of pupils enrolled; and
- (d) The number of teachers assigned to teach in the same 43 44 classroom with another teacher or in any other arrangement other than one teacher assigned to one classroom of pupils,



→ during the current school year in [kindergarten and] grades 1, 2 and 3 for each school district.

- 6. The provisions of this section do not apply to a charter school or to a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive.
  - **Sec. 5.** NRS 388.710 is hereby amended to read as follows:
- 388.710 1. The State Board, in consultation with the trustees of the school districts and the recognized associations representing licensed educational personnel, after receiving comments from the general public, shall determine the data that must be monitored by each school district and used to measure the effectiveness of the implementation of the plan developed by each school district to reduce the pupil-teacher ratio per class in [kindergarten and] grades 1, 2 and 3.
- 2. Each school district shall report the data to the State Board as required by the State Board.
  - **Sec. 6.** NRS 388.720 is hereby amended to read as follows:
- 388.720 Each school district together with the recognized associations representing licensed educational personnel shall develop a plan to reduce the district's pupil-teacher ratio per class in [kindergarten and] grades 1, 2 and 3 within the limits of available financial support specifically set aside for this purpose and submit that plan to the State Board.
  - **Sec. 7.** This act becomes effective upon passage and approval.



