

ASSEMBLY BILL NO. 568—COMMITTEE ON EDUCATION

MARCH 26, 2007

Referred to Committee on Ways and Means

SUMMARY—Revises provisions governing the compensation of educational personnel. (BDR 34-1369)

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; revising provisions governing the compensation paid to teachers who are employed in certain schools or certain subject areas and to school psychologists; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the boards of trustees of school districts to pay the cost for certain licensed teachers and school psychologists to purchase one-fifth of a year of service under the Public Employees' Retirement System (PERS). (NRS 391.165) **Section 1** of this bill removes the purchase of service requirement and requires the boards of trustees to pay a cash stipend to the eligible teachers and school psychologists in an amount that is equal to the amount which it would cost to purchase the retirement service. **Section 1** also removes the requirement that the eligible teacher or school psychologist be a member of PERS with at least 5 years of service.

Section 3 of this bill makes an appropriation for distribution to the school districts to pay the cash stipends to eligible employees.

Section 4 of this bill makes an appropriation to provide grants of money to school districts that adopt or continue a program of performance pay and enhanced compensation for licensed personnel of the school district.

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

Section 1. NRS 391.165 is hereby amended to read as follows:
391.165 1. ~~[Except as otherwise provided in subsection 3 and except as otherwise required as a result of NRS 286.537, the] The~~



board of trustees of a school district shall pay ~~[the cost for a]~~ *a cash stipend to each* licensed teacher or licensed school psychologist *in an amount that is equal to the amount which it would cost the teacher or school psychologist* to purchase one-fifth of a year of service pursuant to subsection 2 of NRS 286.300 . ~~[if:~~

~~—(a) The teacher or school psychologist is a member of the Public Employees' Retirement System and has at least 5 years of service;~~

~~—(b) The teacher or school psychologist has been employed as a licensed teacher or licensed school psychologist in this State for at least 5 consecutive school years, regardless of whether the employment was with one or more school districts in this State;~~

~~—(c)]~~ *A teacher or school psychologist is eligible for a cash stipend pursuant to this section if:*

(a) Each evaluation of the teacher or school psychologist conducted pursuant to NRS 391.3125 is at least satisfactory for the years of employment required by paragraph (b) ~~[; and~~

~~—(d) In addition to the years of employment required by paragraph (b):-~~

~~—(1)]~~ , (c) or (d), as applicable;

(b) The teacher has been employed as a licensed teacher for 2 school years at a school within the school district during his employment at the school:

~~[(1)]~~ (1) Which carried the designation of demonstrating need for improvement; or

~~[(2)]~~ (2) At which at least 65 percent of the pupils who are enrolled in the school are children who are at risk;

~~[(2)]~~ (c) The teacher holds an endorsement in the field of mathematics, science, special education or English as a second language and has been employed for at least 1 school year to teach in the subject area for which he holds an endorsement; or

~~[(3)]~~ (d) The school psychologist has been employed as a licensed school psychologist for at least 1 school year.

➤ The provisions of this paragraph do not require consecutive years of employment or employment at the same school within the school district.

2. ~~[Except as otherwise provided in subsection 3, the]~~ *The* board of trustees of a school district shall pay ~~[the cost for]~~ *a cash stipend to* a licensed teacher or school psychologist ~~[to purchase one-fifth of a year of service]~~ for each year that ~~[a]~~ *the* teacher or school psychologist satisfies the requirements of subsection 1. If, in 1 school year, a teacher satisfies the criteria set forth in both ~~[subparagraphs (1) and (2) of paragraph (d)]~~ *paragraphs (b) and (c)* of subsection 1, the school district in which the teacher is employed is not required to pay ~~[for]~~ more than ~~[one-fifth of a year of service]~~



~~pursuant to subsection 2 of NRS 286.300] one cash stipend to the teacher~~ for that school year.

~~3. [In no event may the years of service purchased by a licensed teacher or school psychologist as a result of subsection 2 of NRS 286.300 exceed 5 years.~~

~~—4.]~~ The board of trustees of a school district shall not:

(a) Assign or reassign a licensed teacher or school psychologist to circumvent the requirements of this section.

(b) Include as part of a teacher's or school psychologist's salary the costs of paying the *cash stipend to the* teacher or school psychologist. ~~[to purchase service pursuant to this section.]~~

~~[5-] 4.~~ As used in this section:

(a) A child is "at risk" if he is eligible for free or reduced-price lunches pursuant to 42 U.S.C. §§ 1751 et seq.

(b) "Service" has the meaning ascribed to it in NRS 286.078.

Sec. 2. NRS 286.3005 is hereby amended to read as follows:

286.3005 A state agency may purchase credit for service on behalf of a member only as provided in NRS 286.3007. Except as otherwise required as a result of NRS 286.537, ~~[or 391.165,]~~ any other public employer may pay any portion of the cost to purchase credit for service under NRS 286.300, but is not required to do so. No credit may be validated unless the cost of purchasing credit has been paid.

Sec. 3. 1. There is hereby appropriated from the State General Fund to the Department of Education the following sums for the payment of cash stipends to teachers and school psychologists:

For the Fiscal Year 2007-2008..... \$29,665,947

For the Fiscal Year 2008-2009..... \$31,070,767

2. The Department shall distribute the money appropriated by subsection 1 to the 17 county school districts based upon the number of teachers and school psychologists employed by each school district who are eligible for the payment of a cash stipend pursuant to NRS 391.165, as amended by section 1 of this act. Each school district shall use the money to pay the cash stipends required by NRS 391.165, as amended by section 1 of this act.

3. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2009, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2009, by either the entity to which the money was appropriated or the entity to which the



1 money was subsequently granted or transferred, and must be
2 reverted to the State General Fund on or before September 18, 2009.

3 **Sec. 4.** 1. There is hereby appropriated from the State
4 General Fund to the Department of Education for grants of money to
5 school districts that adopt or continue a program of performance pay
6 and enhanced compensation for the recruitment, retention and
7 mentoring of licensed personnel pursuant to this section:

8 For the Fiscal Year 2007-2008..... \$5,000,000

9 For the Fiscal Year 2008-2009..... \$5,000,000

10 2. To receive a grant of money, the board of trustees of a
11 school district may submit an application to the Department that:

12 (a) Sets forth a program of performance pay and enhanced
13 compensation for the recruitment, retention and mentoring of
14 licensed personnel adopted by the school district and negotiated
15 pursuant to chapter 288 of NRS, which includes one or more of the
16 following components:

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

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

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

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

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

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

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

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

42 (b) Includes the amount of money necessary to pay the enhanced
43 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 shall provide grants of money to school districts with approved applications based upon the amount of money that is necessary to carry out each program. If an insufficient amount of money is available to pay for each program, the money from the appropriation must be distributed pro rata based upon the number of licensed employees who are estimated to be eligible to participate in the program in each school district with an approved application.

4. The board of trustees of each school district that receives a grant of money pursuant to this section shall evaluate the effectiveness of the program for which the grant was awarded. The evaluation must include, without limitation, an evaluation of whether the program is effective in recruiting and retaining qualified licensed personnel. On or before February 1, 2009, the board of trustees shall submit a report of its evaluation and any recommendations to the:

(a) State Board of Education.

(b) Department of Education.

(c) Legislative Committee on Education.

(d) Director of the Legislative Counsel Bureau for transmission to the 75th Session of the Nevada Legislature.

5. The sums appropriated by subsection 1 are available for either fiscal year. Any remaining balance of those sums must not be committed for expenditure after June 30, 2009, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 18, 2009, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 18, 2009.

Sec. 5. Notwithstanding the provisions of NRS 391.165, as amended by section 1 of this act, to the contrary, if a teacher or school psychologist entered into a contract or other agreement of employment before July 1, 2007, and the teacher or school psychologist was eligible for the purchase of retirement service pursuant to NRS 391.165 as that section existed before July 1, 2007, the board of trustees of the school district shall allow the employee to elect whether he wishes the school district to:

1. Pay the cost for the purchase of one-fifth of a year of retirement service for the employee; or



* A B 5 6 8 *

- 1 2. Pay the cash stipend set forth in NRS 391.165, as amended
- 2 by section 1 of this act.
- 3 ➔ The school district shall comply with the election made by the
- 4 employee.
- 5 **Sec. 6.** This act becomes effective on July 1, 2007.

