

ASSEMBLY BILL NO. 627—COMMITTEE ON WAYS AND MEANS

JOINT SPONSOR: COMMITTEE ON FINANCE

MAY 31, 2007

Referred to Committee on Ways and Means

SUMMARY—Ensures sufficient funding for K-12 public education for the 2007-2009 biennium. (BDR S-1523)

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

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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; ensuring sufficient funding for K-12 public education for the 2007-2009 biennium; apportioning the State Distributive School Account in the State General Fund for the 2007-2009 biennium; authorizing certain expenditures; making appropriations for purposes relating to class-size reduction and other educational purposes; revising certain provisions governing the Account for Programs for Innovation and the Prevention of Remediation; revising certain provisions governing the count of pupils for purposes of apportioning money from the State Distributive School Account; 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.** The basic support guarantee for school districts for operating purposes for the 2007-2008 Fiscal Year is an estimated weighted average of \$5,122 per pupil. For each respective school district, the basic support guarantee per pupil for the 2007-2008 Fiscal Year is:

Carson City	\$6,037
Churchill	\$6,526



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1	Clark	\$4,891
2	Douglas	\$5,383
3	Elko	\$6,574
4	Esmeralda	\$11,358
5	Eureka	\$4,058
6	Humboldt	\$6,437
7	Lander	\$5,987
8	Lincoln	\$9,644
9	Lyon	\$6,704
10	Mineral	\$7,518
11	Nye	\$6,661
12	Pershing	\$7,770
13	Storey	\$6,907
14	Washoe	\$5,131
15	White Pine	\$6,696

16     **Sec. 2.** 1. The basic support guarantee for school districts for  
17 operating purposes for the 2008-2009 Fiscal Year is an estimated  
18 weighted average of \$5,323 per pupil.

19     2. On or before April 1, 2008, the Executive Director of the  
20 Department of Taxation shall provide to the Superintendent of  
21 Public Instruction the certified total of the amount of ad valorem  
22 taxes to be received by each school district for Fiscal Year 2008-  
23 2009 pursuant to the levy imposed under subsection 1 of NRS  
24 387.195 and credited to the county's school district fund pursuant to  
25 subsection 4 of NRS 387.195.

26     3. Pursuant to NRS 362.115, on or before March 15 of each  
27 year, the Department of Taxation shall provide an estimate of the  
28 net proceeds of minerals based upon the statements required of mine  
29 operators.

30     4. For purposes of establishing the basic support guarantee, the  
31 estimated basic support guarantees per pupil for each school district  
32 for the 2008-2009 Fiscal Year for operating purposes are:

33		Basic		Estimated
34		Support		Basic
35		Guarantee	Estimated	Support
36		Before	Ad Valorem	Guarantee
37		Adjustment	Adjustment	as Adjusted
38	<u>School District</u>			
39	Carson City	\$5,500	\$876	\$6,376
40	Churchill	\$5,704	\$768	\$6,472
41	Clark	\$3,653	\$1,398	\$5,051
42	Douglas	\$3,397	\$2,063	\$5,460
43	Elko	\$6,549	\$612	\$7,161
44	Esmeralda	\$11,288	\$4,446	\$15,734
45	Eureka	(\$6,248)	\$16,781	\$10,533



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1	Humboldt	\$5,803	\$1,025	\$6,828
2	Lander	\$4,465	\$1,844	\$6,309
3	Lincoln	\$9,357	\$944	\$10,301
4	Lyon	\$5,991	\$795	\$6,786
5	Mineral	\$8,328	\$752	\$9,080
6	Nye	\$5,794	\$1,123	\$6,917
7	Pershing	\$7,484	\$1,337	\$8,821
8	Storey	\$2,147	\$5,110	\$7,257
9	Washoe	\$4,208	\$1,214	\$5,422
10	White Pine	\$6,743	\$1,089	\$7,832

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12       5. The ad valorem adjustment may be made only to take into  
13 account the difference in the ad valorem taxes to be received and the  
14 estimated enrollment of the school district between the amount  
15 estimated as of March 1, 2007, and the amount estimated as of  
16 March 1, 2008, for the 2008-2009 Fiscal Year. Estimates of net  
17 proceeds of minerals received from the Department of Taxation on  
18 or before March 15 pursuant to subsection 3 must be taken into  
19 consideration in determining the adjustment.

20       6. Upon receipt of the certified total of ad valorem taxes to be  
21 received by each school district for Fiscal Year 2008-2009 pursuant  
22 to subsection 2, the Superintendent of Public Instruction shall  
23 recalculate the ad valorem adjustment and the tentative basic  
24 support guarantee for operating purposes for each school district for  
25 the 2008-2009 Fiscal Year based on the certified total of ad valorem  
26 taxes provided by the Executive Director of the Department of  
27 Taxation pursuant to subsection 2. The final basic support guarantee  
28 for each school district for the 2008-2009 Fiscal Year is the amount,  
29 which is recalculated for the 2008-2009 Fiscal Year pursuant to this  
30 section, taking into consideration estimates of net proceeds of  
31 minerals received from the Department of Taxation on or before  
32 March 15, 2008. The basic support guarantee recalculated pursuant  
33 to this section must be calculated before May 31, 2008.

34       **Sec. 3.** 1. The basic support guarantee for each special  
35 education program unit that is maintained and operated for at least 9  
36 months of a school year is \$36,541 in the 2007-2008 Fiscal Year  
37 and \$38,763 in the 2008-2009 Fiscal Year, except as limited by  
38 subsection 2.

39       2. The maximum number of units and amount of basic support  
40 for special education program units within each of the school  
41 districts, before any reallocation pursuant to NRS 387.1221, for the  
42 Fiscal Years 2007-2008 and 2008-2009 are:



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Allocation of Special Education Units					
		2007-2008		2008-2009	
DISTRICT	Units	Amount	Units	Amount	
Carson City	84	\$3,069,444	84	\$3,256,092	
Churchill County	49	\$1,790,509	49	\$1,899,387	
Clark County	1,916	\$70,012,556	1,971	\$76,401,873	
Douglas County	70	\$2,557,870	72	\$2,790,936	
Elko County	84	\$3,069,444	86	\$3,333,618	
Esmeralda County	1	\$36,541	1	\$38,763	
Eureka County	3	\$109,623	3	\$116,289	
Humboldt County	32	\$1,169,312	32	\$1,240,416	
Lander County	13	\$475,033	14	\$542,682	
Lincoln County	18	\$657,738	18	\$697,734	
Lyon County	62	\$2,265,542	64	\$2,480,832	
Mineral County	12	\$438,492	13	\$503,919	
Nye County	58	\$2,119,378	59	\$2,287,017	
Pershing County	17	\$621,197	17	\$658,971	
Storey County	8	\$292,328	8	\$310,104	
Washoe County	564	\$20,609,124	581	\$22,521,303	
White Pine County	15	\$548,115	16	\$620,208	
Subtotal	<u>3,006</u>	<u>\$109,842,246</u>	<u>3,088</u>	<u>\$119,700,144</u>	
Reserved by					
State Board of					
Education	<u>40</u>	<u>\$1,461,640</u>	<u>40</u>	<u>\$1,550,520</u>	
TOTAL	<u>3,046</u>	<u>\$111,303,886</u>	<u>3,128</u>	<u>\$121,250,664</u>	

3. The State Board of Education shall reserve 40 special education program units in each fiscal year of the 2007-2009 biennium, to be allocated to school districts by the State Board of Education to meet additional needs that cannot be met by the allocations provided in subsection 2 to school districts for that fiscal year. In addition, charter schools in this State are authorized to apply directly to the Department of Education for the reserved special education program units, which may be allocated upon approval of the State Board of Education.

4. Notwithstanding the provisions of subsections 2 and 3, the State Board of Education is authorized to spend from the State Distributive School Account up to \$171,898 in the Fiscal Year 2007-2008 for 4.70 special education program units and \$163,656 in the Fiscal Year 2008-2009 for 4.22 special education program units for instructional programs incorporating educational technology for gifted and talented pupils. Any school district may submit a written application to the Department of Education requesting one or more of the units for gifted and talented pupils. For each fiscal year of the 2007-2009 biennium, the Department will award the units for gifted



1 and talented pupils based on a review of applications received from  
2 school districts.

3 **Sec. 4.** 1. There is hereby appropriated from the State  
4 General Fund to the State Distributive School Account created by  
5 NRS 387.030:

6 For the 2007-2008 Fiscal Year.....\$1,041,362,589

7 For the 2008-2009 Fiscal Year.....\$1,090,795,262

8 2. The money appropriated by subsection 1 must be:

9 (a) Expended in accordance with NRS 353.150 to 353.245,  
10 inclusive, concerning the allotment, transfer, work program and  
11 budget; and

12 (b) Work-programmed for the 2 separate Fiscal Years 2007-  
13 2008 and 2008-2009, as required by NRS 353.215. Work programs  
14 may be revised with the approval of the Governor upon the  
15 recommendation of the Chief of the Budget Division of the  
16 Department of Administration.

17 3. Transfers to and allotments from must be allowed and made  
18 in accordance with NRS 353.215 to 353.225, inclusive, after  
19 separate consideration of the merits of each request.

20 4. The sums appropriated by subsection 1 are available for  
21 either fiscal year and may be transferred from one fiscal year to the  
22 other with the approval of the Governor upon the recommendation  
23 of the Chief of the Budget Division.

24 5. Any remaining balance of the appropriation made by  
25 subsection 1 for the 2007-2008 Fiscal Year must be transferred and  
26 added to the money appropriated for the 2008-2009 Fiscal Year and  
27 may be expended as that money is expended.

28 6. Any remaining balance of the appropriation made by  
29 subsection 1 for the 2008-2009 Fiscal Year, including any money  
30 added thereto pursuant to the provisions of subsections 3 and 5,  
31 must not be committed for expenditure after June 30, 2009, and  
32 must be reverted to the State General Fund on or before  
33 September 18, 2009.

34 **Sec. 5.** 1. Expenditure of \$172,221,385 by the Department of  
35 Education from money in the State Distributive School Account that  
36 was not appropriated from the State General Fund is hereby  
37 authorized during the fiscal year beginning July 1, 2007.

38 2. Expenditure of \$182,681,004 by the Department of  
39 Education from money in the State Distributive School Account that  
40 was not appropriated from the State General Fund is hereby  
41 authorized during the fiscal year beginning July 1, 2008.

42 3. For purposes of accounting and reporting, the sums  
43 authorized for expenditure by subsections 1 and 2 are considered to  
44 be expended before any appropriation is made to the State  
45 Distributive School Account from the State General Fund.



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4. The money authorized to be expended by subsections 1 and 2 must be expended in accordance with NRS 353.150 to 353.245, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

5. The Chief of the Budget Division of the Department of Administration may, with the approval of the Governor, authorize the augmentation of the amounts authorized for expenditure by the Department of Education, in subsections 1 and 2, for the purpose of meeting obligations of the State incurred under chapter 387 of NRS with amounts from any other state agency, from any agency of local government, from any agency of the Federal Government or from any other source that he determines is in excess of the amount taken into consideration by this act. The Chief of the Budget Division shall reduce any authorization whenever he determines that money to be received will be less than the amount authorized in subsections 1 and 2.

**Sec. 6.** During each of the Fiscal Years 2007-2008 and 2008-2009, whenever the State Controller finds that current claims against the State Distributive School Account exceed the amount available in the Account to pay those claims, he may advance temporarily from the State General Fund to the State Distributive School Account the amount required to pay the claims, but not more than the amount expected to be received in the current fiscal year from any source authorized for the State Distributive School Account. No amount may be transferred unless requested by the Chief of the Budget Division of the Department of Administration.

**Sec. 7.** The Department of Education is hereby authorized to spend from the State Distributive School Account the sums of \$21,447,955 for the 2007-2008 Fiscal Year and \$23,362,996 for the 2008-2009 Fiscal Year for the support of courses which are approved by the Department of Education as meeting the course of study for an adult standard high school diploma as approved by the State Board of Education. In each fiscal year of the 2007-2009 biennium, the sum authorized must be allocated among the various school districts in accordance with a plan or formula developed by the Department of Education to ensure that the money is distributed equitably and in a manner that permits accounting for the expenditures of school districts.

**Sec. 8.** The Department of Education is hereby authorized to provide from the State Distributive School Account the sum of \$50,000 to each of the 17 school districts in each fiscal year of the 2007-2009 biennium to support special counseling services for elementary school pupils at risk of failure.



**Sec. 9.** The amounts of the guarantees set forth in sections 1 and 2 of this act may be reduced to effectuate a reserve required pursuant to NRS 353.225.

**Sec. 10.** 1. The Department of Education shall transfer from the State Distributive School Account to the school districts specified in this section the following sums for Fiscal Years 2007-2008 and 2008-2009:

<u>School District</u>	<u>2007-2008</u>	<u>2008-2009</u>
Clark County		
School District	\$7,027,652	\$7,173,389
Douglas County		
School District	\$1,698,676	\$1,734,164
Elko County		
School District	\$1,577,306	\$1,689,279
Washoe County		
School District	<u>\$2,586,300</u>	<u>\$2,716,330</u>
TOTAL:	\$12,889,934	\$13,313,162

2. A school district that receives an allocation pursuant to subsection 1 shall serve as fiscal agent for the respective regional training program for the professional development of teachers and administrators. As fiscal agent, each school district is responsible for payment, collection and holding of all money received from this State for the maintenance and support of the regional training program for the professional development of teachers and administrators and the Nevada Early Literacy Intervention Program established and operated by the applicable governing body.

3. Any remaining balance of the transfers made by subsection 1 for the 2007-2008 Fiscal Year must be added to the money received by the school districts for the 2008-2009 Fiscal Year and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 1 for the 2008-2009 Fiscal Year, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2009, and must be reverted to the State Distributive School Account on or before September 18, 2009.

**Sec. 11.** 1. The Legislative Bureau of Educational Accountability and Program Evaluation is hereby authorized to receive from the State Distributive School Account to spend for an evaluation of the regional training programs for the professional development of teachers and administrators established pursuant to NRS 391.512:

For the Fiscal Year 2007-2008.....	\$100,000
For the Fiscal Year 2008-2009.....	\$100,000



2. Any remaining balance of the sums authorized for expenditure by subsection 1 for the 2007-2008 Fiscal Year must be added to the money authorized for expenditure for the 2008-2009 Fiscal Year and may be expended as that money is expended. Any remaining balance of the sums authorized for expenditure pursuant to subsection 1 for the 2008-2009 Fiscal Year, including any money added from the authorization for the previous fiscal year, must not be committed for expenditure after June 30, 2009, and must be reverted to the State Distributive School Account on or before September 18, 2009.

**Sec. 12.** 1. The Department of Education shall transfer from the State Distributive School Account to the Statewide Council for the Coordination of the Regional Training Programs created by NRS 391.516 the sum of \$100,000 in Fiscal Year 2007-2008 and 2008-2009 for additional training opportunities for educational administrators in Nevada.

2. The Statewide Council shall use the money:

(a) To disseminate research-based knowledge related to effective educational leadership behaviors and skills.

(b) To develop, support and maintain ongoing activities, programs, training and networking opportunities.

(c) For purposes of providing additional training for educational administrators, including, without limitation, to pay:

(1) Travel expenses of administrators who attend the training program;

(2) Travel and per diem expenses for any consultants contracted to provide additional training; and

(3) Any charges to obtain a conference room for the provision of the additional training.

(d) To supplement and not replace the money that the school district or the regional training program would otherwise expend for the training of administrators as described in this section.

3. Any remaining balance of the transfers made by subsection 1 for the 2007-2008 Fiscal Year must be added to the money received by the Statewide Council for the 2008-2009 Fiscal Year and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 1 for the 2008-2009 Fiscal Year, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2009, and must be reverted to the State Distributive School Account on or before September 18, 2009.



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**Sec. 13.** 1. The Department of Education shall transfer from the State Distributive School Account the following sums for early childhood education:

For the Fiscal Year 2007-2008.....\$3,251,671

For the Fiscal Year 2008-2009.....\$3,338,875

2. The money transferred by subsection 1 must be used by the Department of Education for competitive state grants to school districts and community-based organizations for early childhood education programs.

3. To receive a grant of money pursuant to subsection 2, school districts and community-based organizations must submit a comprehensive plan to the Department of Education that includes, without limitation:

(a) A detailed description of the proposed early childhood education program;

(b) A description of the manner in which the money will be used, which must supplement and not replace the money that would otherwise be expended for early childhood education programs; and

(c) A plan for the longitudinal evaluation of the program to determine the effectiveness of the program on the academic achievement of children who participate in the program.

4. A school district or community-based organization that receives a grant of money shall:

(a) Use the money to initiate or expand prekindergarten education programs that meet the criteria set forth in the publication of the Department of Education, entitled *Public Support of Prekindergarten Education for School Readiness in Nevada*, published in August 2000.

(b) Use the money to supplement and not replace the money that the school district or community-based organization would otherwise expend for early childhood education programs, as described in this section.

(c) Use the money to pay for the salaries and other items directly related to the instruction of pupils in the classroom.

(d) Submit a longitudinal evaluation of the program in accordance with the plan submitted pursuant to paragraph (c) of subsection 3.

➤ The money must not be used to remodel classrooms or facilities or for playground equipment.

5. The Department of Education shall develop statewide performance and outcome indicators to measure the effectiveness of the early childhood education programs for which grants of money were awarded pursuant to this section. In developing the indicators, the Department shall establish minimum performance levels and increase the expected performance rates on a yearly basis, based



1 upon the performance results of the participants. The indicators  
2 must include, without limitation:

3 (a) Longitudinal measures of the developmental progress of  
4 children before and after their completion of the program;

5 (b) Longitudinal measures of parental involvement in the  
6 program before and after completion of the program; and

7 (c) The percentage of participants who drop out of the program  
8 before completion.

9 6. The Department of Education shall review the evaluations of  
10 the early childhood education programs submitted by each school  
11 district and community-based organization pursuant to paragraph (d)  
12 of subsection 4 and prepare a compilation of the evaluations for  
13 inclusion in the report submitted pursuant to subsection 7.

14 7. The Department of Education shall, on an annual basis,  
15 provide a written report to the Governor, the Legislative Committee  
16 on Education and the Legislative Bureau of Educational  
17 Accountability and Program Evaluation regarding the effectiveness  
18 of the early childhood education programs for which grants of  
19 money were received. The report must include, without limitation:

20 (a) The number of grants awarded;

21 (b) An identification of each school district and community-  
22 based organization that received a grant of money and the amount of  
23 each grant awarded;

24 (c) For each school district and community-based organization  
25 that received a grant of money:

26 (1) The number of children who received services through a  
27 program funded by the grant for each year that the program received  
28 funding from the State for early childhood education programs; and

29 (2) The average per child expenditure for the program for  
30 each year the program received funding from the State for early  
31 childhood education programs;

32 (d) A compilation of the evaluations reviewed pursuant to  
33 subsection 6 that includes, without limitation:

34 (1) A longitudinal comparison of the data showing the  
35 effectiveness of the different programs; and

36 (2) A description of the programs in this State that are the  
37 most effective;

38 (e) Based upon the performance of children in the program on  
39 established performance and outcome indicators, a description of  
40 revised performance and outcome indicators, including any revised  
41 minimum performance levels and performance rates; and

42 (f) Any recommendations for legislation.

43 8. The sums transferred by subsection 1 are available for either  
44 fiscal year. Any remaining balance of those sums must not be  
45 committed for expenditure after June 30, 2009, and must be reverted



to the State Distributive School Account on or before September 18, 2009.

**Sec. 14.** 1. The Department of Education shall transfer from the State Distributive School Account the following sums to purchase one-fifth of a year of service for certain licensed educational personnel in accordance with NRS 391.165:

For the Fiscal Year 2007-2008.....\$22,942,577

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

2. The Department of Education shall distribute the money appropriated by subsection 1 to the school districts to assist the school districts with paying for the retirement credit for certain licensed educational personnel in accordance with NRS 391.165. The amount of money distributed to each school district must be proportionate to the total costs of paying for the retirement credit pursuant to NRS 391.165 for each fiscal year. If insufficient money is available to pay the total costs necessary to pay the retirement credit for each fiscal year, the school district shall pay the difference to comply with NRS 391.165.

3. The sums transferred 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, and must be reverted to the State Distributive School Account on or before September 18, 2009.

**Sec. 15.** Of the amounts included in the basic support guarantee amounts enumerated in sections 1 and 2 of this act, or from any other sources of money that may be available to a school district, \$90,941,645 for Fiscal Year 2007-2008 and \$95,991,427 for Fiscal Year 2008-2009 must be expended for the purchase of textbooks, instructional supplies and instructional hardware as prescribed in NRS 387.206.

**Sec. 16.** The sums transferred or authorized in sections 10 to 14, inclusive, of this act:

1. Must be accounted for separately from any other money received by the school districts of this State and used only for the purposes specified in the applicable section of this act.

2. May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations.

3. May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

**Sec. 17.** 1. The Department of Education shall transfer from the State Distributive School Account the following sums for special transportation costs to school districts:

For the 2007-2008 school year.....\$112,012

For the 2008-2009 school year.....\$112,012



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2. Pursuant to NRS 392.015, the Department of Education shall use the money transferred in subsection 1 to reimburse school districts for the additional costs of transportation for any pupil to a school outside the school district in which his residence is located.

**Sec. 18.** NRS 387.1235 is hereby amended to read as follows:

387.1235 1. Except as otherwise provided in subsection 2, local funds available are the sum of:

(a) The amount of one-third of the tax collected pursuant to subsection 1 of NRS 387.195 for the school district ~~as certified by the Department of Taxation~~ for the concurrent school year; and

(b) The proceeds of the local school support tax imposed by chapter 374 of NRS, excluding any amounts required to be remitted pursuant to NRS 360.850 and 360.855. The Department of Taxation shall furnish an estimate of these proceeds to the Superintendent of Public Instruction on or before July 15 for the fiscal year then begun, and the Superintendent shall adjust the final apportionment of the current school year to reflect any difference between the estimate and actual receipts.

2. The amount computed under subsection 1 that is attributable to any assessed valuation attributable to the net proceeds of minerals must be held in reserve and may not be considered as local funds available until the succeeding fiscal year.

**Sec. 19.** Each school district shall expend the revenue made available through this act, as well as other revenue from state, local and federal sources, in a manner which is consistent with NRS 288.150 and which is designed to attain the goals of the Legislature regarding educational reform in this State, especially with regard to assisting pupils in need of remediation and pupils who are not proficient in the English language. Materials and supplies for classrooms are subject to negotiation by employers with recognized employee organizations.

**Sec. 20.** The Legislature hereby finds and declares that:

1. The intended goal of the Legislature is to achieve a pupil-teacher ratio of not more than 15 pupils per teacher or 30 pupils per two teachers in kindergarten and grades 1, 2 and 3 where core curriculum is taught;

2. Available money is estimated to provide a sufficient number of teachers to achieve in each school district pupil-teacher ratios of 16 pupils per teacher in selected kindergarten classrooms in which pupils are most at risk of failure and in grades 1 and 2 in Fiscal Years 2007-2008 and 2008-2009, and to achieve a pupil-teacher ratio in grade 3 of 19 pupils per teacher in Fiscal Years 2007-2008 and 2008-2009;



3. Certain school districts do not have a sufficient number of classrooms available to permit an average class size of 19 pupils per teacher in grade 3;

4. It is unreasonable to assign two teachers to classrooms of 38 pupils to attain a district-wide pupil-teacher ratio of 19 pupils per teacher in grade 3;

5. School districts may, instead, attain the desired pupil-teacher ratio in classes where core curriculum is taught by using alternative methods of reducing the ratio, such as employing teachers to provide remedial instruction;

6. School districts may wish to use money for class-size reduction to carry out programs that have been found to be effective in improving academic achievement;

7. The Legislature has specifically designed the laws relating to class-size reduction to allow the local school districts the necessary discretion to effectuate the reduction in the manner appropriate in their respective districts;

8. School districts are encouraged, to the extent possible, to further reduce the pupil-teacher ratio in each classroom in the district for grades 1, 2 and 3 for which additional funding is provided;

9. The Legislature intends to continue the reduced pupil-teacher ratio for selected kindergarten classrooms in which pupils are most at risk of failure and for grades 1 and 2 throughout the State and to continue reducing the pupil-teacher ratio in grade 3; and

10. Thereafter, the intended goal of the Legislature is to reduce the pupil-teacher ratio per class in grade 3 to not more than 15 pupils per class, thereafter to reduce the pupil-teacher ratio per class in grades 4, 5 and 6 to not more than 22 pupils per class and thereafter to reduce the pupil-teacher ratio per class in grades 7 to 12, inclusive, to not more than 25 pupils per class.

**Sec. 21.** 1. The Department of Education shall transfer from the State Distributive School Account the sum of \$141,209,596 for distribution by the Superintendent of Public Instruction to the county school districts for Fiscal Year 2007-2008 which must, except as otherwise provided in sections 23 and 24 of this act, be used to employ teachers to comply with the required ratio of pupils to teachers, as set forth in NRS 388.700, in grades 1 and 2 and in selected kindergartens with pupils who are considered at risk of failure by the Superintendent of Public Instruction and to maintain the current ratio of pupils per teacher in grade 3. Expenditures for the class-size reduction program must be accounted for in a separate category of expenditure in the State Distributive School Account.

2. Except as otherwise provided in sections 23 and 24 of this act, the money transferred by subsection 1 must be used to pay the



1 salaries and benefits of not less than 2,201 teachers employed by  
2 school districts to meet the required pupil-teacher ratios in the 2007-  
3 2008 school year.

4 3. Any remaining balance of the sum transferred by subsection  
5 1 must not be committed for expenditure after June 30, 2008, and  
6 must be transferred and added to the money appropriated to the  
7 State Distributive School Account pursuant to section 4 of this act  
8 for the 2008-2009 Fiscal Year, and may be expended as the money  
9 in section 22 of this act is expended.

10 **Sec. 22.** 1. The Department of Education shall transfer from  
11 the State Distributive School Account the sum of \$153,710,996 for  
12 distribution by the Superintendent of Public Instruction to the  
13 county school districts for Fiscal Year 2008-2009 which must,  
14 except as otherwise provided in sections 23 and 24 of this act, be  
15 used to employ teachers to comply with the required ratio of pupils  
16 to teachers, as set forth in NRS 388.700, in grades 1 and 2 and in  
17 selected kindergartens with pupils who are considered at risk of  
18 failure by the Superintendent of Public Instruction and to maintain  
19 the current ratio of pupils per teacher in grade 3. Expenditures for  
20 the class-size reduction program must be accounted for in a separate  
21 category of expenditure in the State Distributive School Account.

22 2. Except as otherwise provided in sections 23 and 24 of this  
23 act, the money transferred by subsection 1 must be used to pay the  
24 salaries and benefits of not less than 2,260 teachers employed by  
25 school districts to meet the required pupil-teacher ratios in the 2008-  
26 2009 school year.

27 3. Any remaining balance of the sum transferred by subsection  
28 1, including any money added thereto pursuant to section 21 of this  
29 act, must not be committed for expenditure after June 30, 2009, and  
30 must be reverted to the State General Fund on or before  
31 September 18, 2009.

32 **Sec. 23.** 1. The board of trustees of each county school  
33 district:

34 (a) Shall file a plan with the Superintendent of Public Instruction  
35 describing how the money appropriated by sections 21 and 22 of  
36 this act will be used to comply with the required ratio of pupils to  
37 teachers in kindergarten and grades 1, 2 and 3; or

38 (b) May, after receiving approval of the plan from the  
39 Superintendent of Public Instruction, use the money appropriated by  
40 sections 21 and 22 of this act to carry out:

41 (1) An alternative program for reducing the ratio of pupils  
42 per teacher, including, without limitation, any legislatively approved  
43 program of flexibility; or

44 (2) Programs of remedial education that have been found to  
45 be effective in improving pupil achievement in grades 1, 2 and 3, so



1 long as the combined ratio of pupils per teacher in the aggregate of  
2 kindergarten and grades 1, 2 and 3 of the school district does not  
3 exceed the combined ratio of pupils per teacher in the aggregate of  
4 kindergarten and grades 1, 2 and 3 of the school district in the 2004-  
5 2005 school year.

6 ➤ The plan approved by the Superintendent of Public Instruction  
7 must describe the method to be used by the school district to  
8 evaluate the effectiveness of the alternative program or remedial  
9 education programs in improving pupil achievement.

10 2. In no event must the provisions of this section be construed  
11 to authorize the board of trustees of a school district in a county  
12 whose population is 100,000 or more to develop an alternative plan  
13 for the reduction of pupil-teacher ratios pursuant to subsection 2 of  
14 NRS 388.720.

15 **Sec. 24.** 1. The money appropriated for class-size reduction  
16 pursuant to sections 21 and 22 of this act:

17 (a) May be applied first to pupils considered most at risk of  
18 failure.

19 (b) Must not be used to settle or arbitrate disputes between a  
20 recognized organization representing employees of a school district  
21 and the school district, or to settle any negotiations.

22 (c) Must not be used to adjust the district-wide schedules of  
23 salaries and benefits of the employees of a school district.

24 2. The money appropriated for class-size reduction pursuant to  
25 sections 21 and 22 of this act must not be distributed to a school  
26 district unless that school district has:

27 (a) Filed with the Department of Education a plan for achieving  
28 the required ratio set forth in NRS 388.700; and

29 (b) Demonstrated that, from resources of the school district  
30 other than allocations received from the State Distributive School  
31 Account for class-size reduction, a sufficient number of classroom  
32 teachers have been employed to maintain the average pupil-teacher  
33 ratio that existed for each grade for grades 1, 2 and 3, in that school  
34 district for the 3 school years immediately preceding the start of the  
35 class-size reduction program in the 1990-1991 school year.

36 **Sec. 25.** 1. There is hereby appropriated from the State  
37 General Fund to the Other State Education Programs Account in the  
38 State General Fund the following sums:

39 For the Fiscal Year 2007-2008.....\$21,456,727  
40 For the Fiscal Year 2008-2009.....\$22,527,591



2. Expenditure of the following sums by the Department of Education from money in the Other State Education Programs Account in the State General Fund that was not appropriated from the State General Fund is hereby authorized:

For the Fiscal Year 2007-2008.....\$38,000

For the Fiscal Year 2008-2009.....\$59,000

3. The money authorized to be expended by subsections 1 and 2 must be expended in accordance with NRS 353.150 to 353.245, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

4. Amounts appropriated pursuant to subsection 1 to finance specific programs as outlined in this subsection are available for both Fiscal Years 2007-2008 and 2008-2009 and may be transferred from one fiscal year to the other with the approval of the Interim Finance Committee upon the recommendation of the Governor as follows:

(a) A total of \$70,000 in both Fiscal Year 2007-2008 and Fiscal Year 2008-2009 for successful completion of the National Board Teacher Certification Program;

(b) A total of \$7,218,000 in Fiscal Year 2007-2008 and \$7,578,000 in Fiscal Year 2008-2009 for new teacher signing bonuses;

(c) A total of \$544,000 in Fiscal Year 2007-2008 and \$750,000 in Fiscal Year 2008-2009 for Counselor National Board Certification;

(d) A total of \$527,478 in Fiscal Year 2007-2008 and \$563,241 in Fiscal Year 2008-2009 for LEA library books; and

(e) A total of \$5,885,000 in Fiscal Year 2007-2008 and \$4,895,000 in Fiscal Year 2008-2009 for educational technology.

5. Except as otherwise provided in subsection 4, unencumbered balances of the appropriations made in this section for the Fiscal Years 2007-2008 and 2008-2009 must not be committed for expenditure after June 30 of each fiscal year. Except as otherwise provided in subsection 4, unencumbered balances of these appropriations revert to the State General Fund on or before September 19, 2008, and September 18, 2009, for each fiscal year respectively.

**Sec. 26.** 1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 385.379 the following sums:

For the Fiscal Year 2007-2008.....\$60,375,718

For the Fiscal Year 2008-2009.....\$85,539,038



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2. Expenditure of the following sums by the Department of Education from money in the Account for Programs for Innovation and the Prevention of Remediation created by NRS 385.379 that was not appropriated from the State General Fund is hereby authorized:

For the Fiscal Year 2007-2008.....\$18,694,786

For the Fiscal Year 2008-2009.....\$10,195,468

3. The money authorized to be expended by subsections 1 and 2 must be expended in accordance with NRS 353.150 to 353.245, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

4. Of the amounts appropriated by subsection 1, \$25,640,881 in Fiscal Year 2007-2008 and \$40,834,698 in Fiscal Year 2008-2009 must be allocated to the school districts pursuant to section 27 of this act for continuation and expansion of the full-day kindergarten program established pursuant to Assembly Bill No. 4 of the 22nd Special Session, Chapter 3, Statutes of Nevada 2005, at page 91.

5. Of the amounts authorized in subsection 2, \$180,000 in Fiscal Year 2007-2008 and \$8,897,200 in Fiscal Year 2008-2009 must be allocated to a program of empowerment schools as follows:

(a) For the purpose of planning and developing empowerment plans in the:

(1) Fiscal Year 2007-2008, \$50,000 to the Clark County School District;

(2) Fiscal Year 2007-2008, \$50,000 to the Washoe County School District; and

(3) Fiscal Year 2007-2008, \$10,000 for not more than eight other school districts.

(b) In Fiscal Year 2008-2009, \$8,897,200 must be allocated on a per pupil basis to the schools operating as empowerment schools, not to exceed a maximum amount of \$400 per pupil.

**Sec. 27.** 1. The Department of Education shall distribute the allocation made by subsection 4 of section 26 of this act to school districts that elect to provide full-day kindergarten. In no event is a school district required to submit an application for an allocation of money or otherwise required to provide full-day kindergarten.

2. Except as otherwise provided in subsection 3, a school district that elects to receive an allocation of money pursuant to this section shall use the money to provide full-day kindergarten in each school within the school district that is prioritized for full-day kindergarten based upon the percentage of pupils enrolled in the school who are eligible for free or reduced price lunches pursuant to



42 U.S.C. §§ 1751 et seq. A school district shall allocate the money by assigning first priority to those schools within the school district that have the highest percentage of pupils who are eligible for free or reduced price lunches. If a school within a school district that is required to provide full-day kindergarten pursuant to this section currently provides full-day kindergarten with money that it receives from the Federal Government or other funding allocations, the school may redirect that money, to the extent authorized by applicable federal law, for other programs of remediation at the school and use the money provided by the Department of Education from the allocation to provide full-day kindergarten.

3. A school that is otherwise required to provide full-day kindergarten pursuant to subsection 2 may opt out of providing full-day kindergarten.

4. A parent or legal guardian of a pupil who is otherwise zoned to attend a public school that provides full-day kindergarten pursuant to this section may request that the pupil not be enrolled in full-day kindergarten. The school district in which the pupil is enrolled shall grant the request and ensure that the pupil is allowed to attend kindergarten, whether at the zoned school or another school, for less than a full day.

**Sec. 28.** NRS 385.379 is hereby amended to read as follows:

385.379 1. The Account for Programs for Innovation and the Prevention of Remediation is hereby created in the State General Fund, to be administered by the Superintendent of Public Instruction. The Superintendent of Public Instruction may accept gifts and grants of money from any source for deposit in the Account. Any money from gifts and grants may be expended in accordance with the terms and conditions of the gift or grant, or in accordance with subsection 2. The interest and income earned on the *sum of:*

(a) *The money in the Account ; and*

(b) *Unexpended appropriations made to the Account from the State General Fund,*

➤ must be credited to the Account. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

2. The money in the Account may only be used for the allocation of money to school districts and public schools whose applications are approved by the Commission pursuant to NRS 385.3785.

**Sec. 29.** NRS 387.1233 is hereby amended to read as follows:

387.1233 1. Except as otherwise provided in subsection 2, basic support of each school district must be computed by:



(a) Multiplying the basic support guarantee per pupil established for that school district for that school year by the sum of:

(1) Six-tenths the count of pupils enrolled in the kindergarten department on the last day of the first school month of the school district for the school year, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school on the last day of the first school month of the school district for the school year.

(2) The count of pupils enrolled in grades 1 to 12, inclusive, on the last day of the first school month of the school district for the school year, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school on the last day of the first school month of the school district for the school year.

(3) The count of pupils not included under subparagraph (1) or (2) who are enrolled full time in a program of distance education provided by that school district or a charter school located within that school district on the last day of the first school month of the school district for the school year.

(4) The count of pupils who reside in the county and are enrolled:

(I) In a public school of the school district and are concurrently enrolled part time in a program of distance education provided by another school district or a charter school on the last day of the first school month of the school district for the school year, expressed as a percentage of the total time services are provided to those pupils 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).

(II) In a charter school and are concurrently enrolled part time in a program of distance education provided by a school district or another charter school on the last day of the first school month of the school district for the school year, expressed as a percentage of the total time services are provided to those pupils 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).

(5) The count of pupils not included under subparagraph (1), (2), (3) or (4), who are receiving special education pursuant to the provisions of NRS 388.440 to 388.520, inclusive, on the last day of the first school month of the school district for the school year, excluding the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of NRS 388.490 on that day.

(6) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to



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subsection 1 of NRS 388.490 on the last day of the first school month of the school district for the school year.

(7) The count of children detained in facilities for the detention of children, alternative programs and juvenile forestry camps receiving instruction pursuant to the provisions of NRS 388.550, 388.560 and 388.570 on the last day of the first school month of the school district for the school year.

(8) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 4 of NRS 386.560, subsection 5 of NRS 386.580 or subsection 3 of NRS 392.070, expressed as a percentage of the total time services are provided to those pupils 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).

(b) Multiplying the number of special education program units maintained and operated by the amount per program established for that school year.

(c) Adding the amounts computed in paragraphs (a) and (b).

2. If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than *or equal to 95 percent of* the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for ~~either or both of~~ the immediately preceding ~~[2-school-years.]~~ *school year*, the largest number ~~[must be used]~~ from among the ~~[3-years]~~ *immediately preceding 2 school years must be used* for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.

3. *If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is more than 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the larger enrollment number from the current year or the immediately preceding school year must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.*

4. Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees must be credited with attendance during that period.

~~[4.]~~ 5. Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing basic support pursuant to this section. The



1 average daily attendance for such pupils must be reported to the  
2 Department of Education.

3 ~~[5.]~~ 6. Pupils who are enrolled in courses which are approved  
4 by the Department as meeting the requirements for an adult to earn a  
5 high school diploma must not be counted for the purpose of  
6 computing basic support pursuant to this section.

7 **Sec. 30.** 1. This section and sections 1 to 21, inclusive, and  
8 23 to 28, inclusive, of this act become effective on July 1, 2007.

9 2. Sections 22 and 29 of this act become effective on July 1,  
10 2008.

