

Amendment No. 333

Assembly Amendment to Assembly Bill No. 563

(BDR 34-531)

Proposed by: Assembly Committee on Education**Amends:** Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date	
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____		Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold* is newly added transitory language.

KCR



Date: 4/15/2007

A.B. No. 563—Revises provisions governing education and makes appropriations relating to education. (BDR 34-531)



ASSEMBLY BILL NO. 563—COMMITTEE ON EDUCATION

(ON BEHALF OF THE NEVADA ASSOCIATION OF SCHOOL BOARDS)

MARCH 26, 2007

Referred to Concurrent Committees on
Education and Ways and Means

SUMMARY—Revises provisions governing education and makes appropriations relating to education. (BDR 34-531)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 the requirements for the biennial budgetary request for the State Distributive School Account; revising provisions governing the distribution of certain grants; providing that a certain percentage in the ending fund balance of the general fund of a school district is not subject to negotiations; revising provisions governing the calculation of basic support to provide kindergarten for a full school day; making various appropriations for education and for educational personnel; repealing the provision requiring the purchase of retirement service for certain teachers and school psychologists; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

~~[Section 1 of this bill requires the Superintendent of Public Instruction to prepare a compilation of certain information for inclusion in the biennial budgetary request for the State Distributive School Account.]~~

Existing law creates the Commission on Educational Excellence and provides for grants of money by the Commission from the Account for Programs of Innovation and the Prevention of Remediation. (NRS 385.3781-385.379) **Section 2** of this bill revises the application process for a grant of money from the Account to provide that school districts and charter schools may submit an application and removes the submission of an application by an individual public school of a school district.

Section 3 of this bill prohibits a certain percentage of the ending fund balance in a school district's general fund from being used to: (1) settle negotiations or arbitrate disputes between the school district and an employee organization; and (2) raise salaries or increase benefits of employees.

Existing law requires the board of trustees of each school district to establish a kindergarten department in each elementary school in the school district. Certain exceptions apply to schools with fewer than 15 children applying for enrollment in kindergarten. (NRS 388.060) Existing law also provides money to the school districts for the operation of

kindergarten through the State Distributive School Account in an amount that is calculated based upon six-tenths of each pupil enrolled in kindergarten. (NRS 387.1233) **Sections 4 and 7** of this bill require the board of trustees of each school district to provide kindergarten for a full school day beginning with the 2008-2009 school year and amends the basic support calculation so that each pupil enrolled in kindergarten is counted in the same manner as pupils enrolled in grades 1 to 12, inclusive.

Sections 5 and 6 of this bill revise provisions governing the annual required expenditures of school districts. (NRS 387.206, 387.207)

Existing law requires the board of trustees of each school district to submit to the Superintendent of Public Instruction and to the Department of Taxation a written report of the annual budget of the school district. The Superintendent of Public Instruction is required to compile the reports of the annual budgets and submit the written compilation to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau. (NRS 387.303) Section 7 of this bill requires the Superintendent of Public Instruction to include certain information in the biennial budget request for the State Distributive School Account for submission to the Department of Administration based upon the annual budgets submitted by the school districts.

Section ~~8~~ 9 of this bill creates a Grant Fund for Incentives for Licensed Educational Personnel and requires the board of trustees of each school district to establish a program of incentive pay for licensed educational personnel.

Sections ~~10-22~~ 11-24 of this bill make various appropriations for education as follows: (1) inflationary costs of school districts; (2) books, supplies and equipment; (3) increasing salaries and associated benefits for teachers and licensed educational personnel; (4) health insurance for licensed educational personnel; (5) programs of incentive pay; (6) signing bonuses to licensed educational personnel and school nurses; (7) various student programs and career and technical education courses; (8) the provision of full-day kindergarten; and (9) professional development for teachers.

Under existing law, the board of trustees of a school district is required to purchase one-fifth of a year of retirement service for certain teachers and school psychologists. (NRS 391.165) **Section ~~25~~ 26** of this bill repeals that section of NRS.

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

Section 1. ~~[Chapter 385 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. The Superintendent of Public Instruction shall compile information from each school district for use by the Department in preparing its biennial budgetary request for the State Distributive School Account. In compiling the request, the Superintendent shall take into account, without limitation:~~

~~(a) The projected enrollment of pupils for each school district and for the school districts as a whole;~~

~~(b) The projected costs of salaries and benefits for existing and newly hired teachers, and for other school district employees, including, without limitation, the cost of merit increases and the cost of living adjustments recommended by the Superintendent of Public Instruction;~~

~~(c) The projected costs of supplies, equipment, services, fuel and utilities based upon such published indexes, reports and research as the Superintendent of Public Instruction considers are credible and reliable regarding those costs to schools;~~

~~(d) The projected cost of existing and proposed educational programs, including, without limitation, enhancements to existing programs that are not included in the per pupil basic support guarantee; and~~

~~(c) The revenue that is anticipated to be available for the general operations of school districts other than money available from the State General Fund.~~

~~2. The compilation prepared pursuant to subsection 1 must be included with the biennial budgetary request for the State Distributive School Account prepared by the Department.~~

~~3. The compilation prepared pursuant to subsection 1 must be presented by the Superintendent of Public Instruction to such standing committees of the Legislature that the Superintendent determines appropriate for the purpose of developing educational programs and providing appropriations for those programs.~~

~~4. The compilation prepared pursuant to subsection 1 must be prepared in such a manner that allows for the direct comparison between the amount of the appropriations recommended in the Executive Budget for education and the amount of money which is necessary if the Legislature appropriated amounts sufficient to support the Department's entire request, including the compilation.]~~

(Deleted by amendment.)

Sec. 2. NRS 385.3785 is hereby amended to read as follows:

385.3785 1. The Commission shall:

(a) Establish a program of educational excellence designed exclusively for pupils enrolled in kindergarten through grade 6 in public schools in this State based upon:

(1) The plan to improve the achievement of pupils prepared by the State Board pursuant to NRS 385.34691;

(2) The plan to improve the achievement of pupils prepared by the board of trustees of each school district pursuant to NRS 385.348;

(3) The plan to improve the achievement of pupils prepared by the principal of each school pursuant to NRS 385.357, which may include a program of innovation; and

(4) Any other information that the Commission considers relevant to the development of the program of educational excellence.

(b) Identify programs, practices and strategies that have proven effective in improving the academic achievement and proficiency of pupils.

(c) Develop a concise application and simple procedures for the submission of applications by school districts and ~~{public schools, including, without limitation,}~~ charter schools ~~{ }~~ for participation in a program of educational excellence and for grants of money from the Account. Grants of money must be made for programs designed for the achievement of pupils that are linked to the plan to improve the achievement of pupils or for innovative programs, or both. All school districts and ~~{public schools, including, without limitation,}~~ charter schools ~~{ }~~ are eligible to submit such an application, regardless of whether the school district or **charter** school has made adequate yearly progress or failed to make adequate yearly progress. A school district or ~~{public}~~ **charter** school selected for participation may be approved by the Commission for participation for a period not to exceed 2 years, but may reapply.

(d) Prescribe a long-range timeline for the review, approval and evaluation of applications received from school districts and ~~{public}~~ **charter** schools that desire to participate in the program.

(e) Prescribe accountability measures to be carried out ~~{by}~~ **if** a school district or **a public school, including, without limitation, a charter** school that participates in the program, ~~{if that school district or public school}~~ does not meet the annual measurable objectives established by the State Board pursuant to NRS 385.361, including, without limitation:

(1) The specific levels of achievement expected of school districts and schools that participate; and

(2) Conditions for school districts and schools that do not meet the grant criteria but desire to continue participation in the program and receive money from the Account, including, without limitation, a review of the leadership at the school and recommendations regarding changes to the appropriate body.

(f) Determine the amount of money that is available from the Account for those school districts and public schools that are selected to participate in the program.

(g) Allocate money to school districts and public schools from the Account. Allocations must be distributed not later than August 15 of each year.

(h) Establish criteria for school districts and public schools that participate in the program and receive an allocation of money from the Account to evaluate the effectiveness of the allocation in improving the achievement of pupils, including, without limitation, a detailed analysis of:

(1) The achievement of pupils enrolled at each school that received money from the allocation based upon measurable criteria identified in the plan to improve the achievement of pupils for the school prepared pursuant to NRS 385.357;

(2) If applicable, the achievement of pupils enrolled in the school district as a whole, based upon measurable criteria identified in the plan to improve the achievement of pupils for the school district prepared pursuant to NRS 385.348;

(3) If applicable, the effectiveness of the program of innovation on the achievement of pupils and the overall effectiveness for pupils and staff;

(4) The implementation of the applicable plans for improvement, including, without limitation, an analysis of whether the school district or the school is meeting the measurable objectives identified in the plan; and

(5) The attainment of measurable progress on the annual list of adequate yearly progress of school districts and schools.

2. To the extent money is available, the Commission shall make allocations of money to school districts and public schools for effective programs for grades 7 through 12 that are designed to improve the achievement of pupils and effective programs of innovation for pupils. In making such allocations, the Commission shall comply with the requirements of subsection 1.

3. If a school district or public school that receives money pursuant to subsection 1 or 2 does not meet the criteria for effectiveness as prescribed in paragraph (h) of subsection 1 over a 2-year period, the Commission may consider not awarding future allocations of money to that school district or public school.

4. On or before July 1 of each year, the Department shall provide a list of priorities of schools based upon the adequate yearly progress status of schools in the immediately preceding year for consideration by the Commission in its development of procedures for the applications.

5. In carrying out the requirements of this section, the Commission shall review and consider the programs of remedial study adopted by the Department pursuant to NRS 385.389, the list of approved providers of supplemental services maintained by the Department pursuant to NRS 385.384 and the recommendations submitted by the Committee pursuant to NRS 218.5354 concerning programs, practices and strategies that have proven effective in improving the academic achievement and proficiency of pupils.

Sec. 3. Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:

Any ending fund balance maintained in the general fund of a school district of up to 8.3 percent must not be used to:

1 *1. Settle or arbitrate disputes between a recognized organization*
2 *representing employees of a school district and the school district, or to settle any*
3 *negotiations.*

4 *2. Adjust the district-wide schedules of salaries and benefits of the*
5 *employees of a school district.*

6 **Sec. 4.** NRS 387.1233 is hereby amended to read as follows:

7 387.1233 1. Except as otherwise provided in subsection 2, basic support of
8 each school district must be computed by:

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

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

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

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

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

26 (I) In a public school of the school district and are concurrently
27 enrolled part time in a program of distance education provided by another school
28 district or a charter school on the last day of the first school month of the school
29 district for the school year, expressed as a percentage of the total time services are
30 provided to those pupils per school day in proportion to the total time services are
31 provided during a school day to pupils who are counted pursuant to subparagraph
32 (2).

33 (II) In a charter school and are concurrently enrolled part time in a
34 program of distance education provided by a school district or another charter
35 school on the last day of the first school month of the school district for the school
36 year, expressed as a percentage of the total time services are provided to those
37 pupils per school day in proportion to the total time services are provided during a
38 school day to pupils who are counted pursuant to subparagraph (2).

39 (5) The count of pupils not included under subparagraph (1), (2), (3) or (4),
40 who are receiving special education pursuant to the provisions of NRS 388.440 to
41 388.520, inclusive, on the last day of the first school month of the school district for
42 the school year, excluding the count of pupils who have not attained the age of 5
43 years and who are receiving special education pursuant to subsection 1 of NRS
44 388.490 on that day.

45 (6) Six-tenths the count of pupils who have not attained the age of 5 years
46 and who are receiving special education pursuant to subsection 1 of NRS 388.490
47 on the last day of the first school month of the school district for the school year.

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

52 (8) The count of pupils who are enrolled in classes for at least one semester
53 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 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, the largest number must be used from among the 3 years for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.

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

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

Sec. 5. NRS 387.206 is hereby amended to read as follows:

387.206 1. On or before July 1 of each year, the Department, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, shall develop or revise, as applicable, a formula for determining the minimum amount of money that each school district is required to expend each fiscal year for textbooks, instructional supplies, ~~and~~ instructional hardware ~~and~~, *library books, software for computers and equipment relating to instruction, including, without limitation, equipment for telecommunications*. The formula must be used only to develop expenditure requirements and must not be used to alter the ~~distribution of money for~~ basic support ~~to school districts.~~ *amount per pupil established by the Legislature for a fiscal year.*

2. Upon approval of the formula pursuant to subsection 1, the Department shall provide written notice to each school district within the first ~~30~~ 10 days of each fiscal year that sets forth the required minimum combined amount of money that the school district must expend for ~~textbooks, instructional supplies and instructional hardware for~~ *the purposes set forth in subsection 1* in that fiscal year.

3. On or before January 1 of each year, the Department shall determine whether each school district has expended, during the immediately preceding fiscal year, the required minimum amount of money set forth in the notice provided pursuant to subsection 2. In making this determination, the Department shall use the report submitted by the school district pursuant to NRS 387.303.

4. Except as otherwise provided in subsection 5, if the Department determines that a school district has not expended the required minimum amount of money set forth in the notice provided pursuant to subsection 2, a reduction must be made from the basic support allocation otherwise payable to that school district in an amount that is equal to the difference between the actual combined expenditure for

1 textbooks, instructional supplies , ~~and~~ instructional hardware , *library books,*
2 *software for computers and equipment relating to instruction, including, without*
3 *limitation, equipment for telecommunications* and the minimum required
4 combined expenditure set forth in the notice provided pursuant to subsection 2. A
5 reduction in the amount of the basic support allocation pursuant to this subsection:

6 (a) Does not reduce the amount that the school district is required to expend on
7 textbooks, instructional supplies , ~~and~~ instructional hardware , *library books,*
8 *software for computers and equipment relating to instruction, including, without*
9 *limitation, equipment for telecommunications* in the current fiscal year; and

10 (b) Must not exceed the amount of basic support that was provided to the
11 school district for the fiscal year in which the minimum expenditure amount was
12 not satisfied.

13 5. If the actual enrollment of pupils in a school district is less than the
14 enrollment included in the projections used in the school district's biennial budget
15 submitted pursuant to NRS 387.303, the required expenditure for textbooks,
16 instructional supplies , ~~and~~ instructional hardware , *library books, software for*
17 *computers and equipment relating to instruction, including, without limitation,*
18 *equipment for telecommunications* pursuant to this section must be reduced
19 proportionately.

20 **Sec. 6.** NRS 387.207 is hereby amended to read as follows:

21 387.207 1. ~~[Except as otherwise provided in this section, in each school~~
22 ~~year a school district shall spend for library books and software for computers an~~
23 ~~amount of money, expressed as an amount per pupil, that is at least equal to the~~
24 ~~average of the total amount of money that was expended per year by the school~~
25 ~~district for those items in the immediately preceding 3 years.~~

26 ~~—2. Except as otherwise provided in this section, in each school year a school~~
27 ~~district shall spend for the purchase of equipment relating to instruction, including,~~
28 ~~without limitation, equipment for telecommunications and for the purchase of~~
29 ~~equipment relating to the transportation of pupils, an amount of money, expressed~~
30 ~~as an amount per pupil, that is at least equal to the average of the total amount of~~
31 ~~money that was expended per year by the school district for those items in the~~
32 ~~immediately preceding 3 years.~~

33 ~~—3.]~~ Except as otherwise provided in this section, in each school year a school
34 district shall spend for the maintenance and repair of equipment, vehicles, ~~and~~
35 buildings and facilities *and for the purchase of equipment relating to the*
36 *transportation of pupils* an amount of money, expressed as an amount per pupil,
37 that is at least equal to the average of the total amount of money that was expended
38 per year by the school district for those items in the immediately preceding 3 years,
39 excluding any amount of money derived from the proceeds of bonds.

40 ~~[4.]~~ 2. A school district may satisfy the expenditures required by ~~subsections~~
41 ~~1, 2 and 3]~~ *subsection 1* if the school district spends an aggregate amount of money
42 for all the items identified in ~~those subsections]~~ that *subsection which* is at least
43 equal to the average of the total amount of money expended by the school district
44 per year for all those items in the immediately preceding 3 years.

45 ~~[5.]~~ 3. A school district is not required to satisfy the expenditures required by
46 this section for a school year in which:

47 (a) The total number of pupils who are enrolled in public schools within the
48 school district has declined from the immediately preceding school year; or

49 (b) The total revenue available in the general fund of the school district has
50 declined from the immediately preceding school year.

51 **Sec. 7.** NRS 387.303 is hereby amended to read as follows:

1 387.303 1. Not later than November 10 of each year, the board of trustees of
2 each school district shall submit to the Superintendent of Public Instruction and the
3 Department of Taxation a report which includes the following information:

4 (a) For each fund within the school district, including, without limitation, the
5 school district's general fund and any special revenue fund which receives state
6 money, the total number and salaries of licensed and nonlicensed persons whose
7 salaries are paid from the fund and who are employed by the school district in full-
8 time positions or in part-time positions added together to represent full-time
9 positions. Information must be provided for the current school year based upon the
10 school district's final budget, including any amendments and augmentations
11 thereto, and for the preceding school year. An employee must be categorized as
12 filling an instructional, administrative, instructional support or other position.

13 (b) The count of pupils computed pursuant to paragraph (a) of subsection 1 of
14 NRS 387.1233.

15 (c) The school district's actual expenditures in the fiscal year immediately
16 preceding the report.

17 (d) The school district's proposed expenditures for the current fiscal year.

18 (e) The schedule of salaries for licensed employees in the current school year
19 and a statement of whether the negotiations regarding salaries for the current school
20 year have been completed. If the negotiations have not been completed at the time
21 the schedule of salaries is submitted, the board of trustees shall submit a
22 supplemental report to the Superintendent of Public Instruction upon completion of
23 negotiations or the determination of an arbitrator concerning the negotiations that
24 includes the schedule of salaries agreed to or required by the arbitrator.

25 (f) The number of teachers who received an increase in salary pursuant to
26 subsection 2 of NRS 391.160 for the current and preceding fiscal years. If the board
27 of trustees is required to pay an increase in salary retroactively pursuant to
28 subsection 2 of NRS 391.160, the board of trustees shall submit a supplemental
29 report to the Superintendent of Public Instruction not later than February 15 of the
30 year in which the retroactive payment was made that includes the number of
31 teachers to whom an increase in salary was paid retroactively.

32 (g) The number of employees eligible for health insurance within the school
33 district for the current and preceding fiscal years and the amount paid for health
34 insurance for each such employee during those years.

35 (h) The rates for fringe benefits, excluding health insurance, paid by the school
36 district for its licensed employees in the preceding and current fiscal years.

37 (i) The amount paid for extra duties, supervision of extracurricular activities
38 and supplemental pay and the number of employees receiving that pay in the
39 preceding and current fiscal years.

40 (j) The expenditures from the account created pursuant to subsection 3 of NRS
41 179.1187. The report must indicate the total amount received by the district in the
42 preceding fiscal year, and the specific amount spent on books and computer
43 hardware and software for each grade level in the district.

44 2. On or before November 25 of each year, the Superintendent of Public
45 Instruction shall submit to the Department of Administration and the Fiscal
46 Analysis Division of the Legislative Counsel Bureau, in a format approved by the
47 Director of the Department of Administration, a compilation of the reports made by
48 each school district pursuant to subsection 1.

49 3. In preparing the agency biennial budget request for the State Distributive
50 School Account for submission to the Department of Administration, the
51 Superintendent of Public Instruction shall:

52 (a) Compile the information from the most recent report submitted pursuant
53 to subsection 2;

(b) Increase the line items of expenditure or revenue based on merit salary increases, cost of living adjustments or inflation, as deemed credible and reliable based upon published indexes and research relevant to the specific line item of expenditure or revenue;

(c) Adjust expenditures and revenues pursuant to paragraph (b) for any year remaining before the biennium for which the budget is being prepared and for the 2 years of the biennium covered by the biennial budget request to project the cost of expenditures or the receipt of revenues for the specific line items;

(d) Consider the cost of enhancements to existing programs or the projected cost of proposed new educational programs, regardless of whether those enhancements or new programs are included in the per pupil basic support guarantee for inclusion in the biennial budget request to the Department of Administration; and

(e) Obtain approval from the State Board for any inflationary increase, enhancement to an existing program or addition of a new program included in the agency biennial budget request.

4. The Superintendent of Public Instruction shall, in the compilation required by subsection 2, reconcile the revenues ~~{and expenditures}~~ of the school districts by the apportionment received by those districts from the State Distributive School Account for the preceding year.

5. The request prepared pursuant to subsection 3 must:

(a) Be presented by the Superintendent of Public Instruction to such standing committees of the Legislature that the Superintendent determines appropriate for the purpose of developing educational programs and providing appropriations for those programs; and

(b) Provide for a direct comparison of appropriations to the proposed budget of the Governor submitted pursuant to subsection 4 of NRS 353.230.

~~{Sec. 7.}~~ Sec. 8. NRS 388.060 is hereby amended to read as follows:

388.060 1. Except as otherwise provided in ~~{this subsection.}~~ subsection 2, the board of trustees of each school district shall ~~{establish.}~~:

(a) Establish, equip and maintain a kindergarten in each elementary school ~~{or each school attendance area}~~ in the district.

(b) Provide kindergarten in each elementary school for a full school day.

2. If, on or before June 1 immediately preceding the school year, admittance to kindergarten has been requested for fewer than 15 children, the mandatory provisions of ~~{this}~~ subsection 1 do not apply to that school, and the board may decide whether to establish a kindergarten for those children. If the board decides not to establish such a kindergarten, it ~~{may}~~ shall provide:

(a) Transportation for each child to enable him to attend kindergarten at another school; or

(b) Upon agreement with a child's parent or guardian, an authorized program of instruction for kindergarten to be offered in the child's home, which includes, without limitation, assigning licensed educational personnel to assist and consult with the parent or guardian as necessary.

~~{2.—The board of trustees of a school district in which a kindergarten is to be established under the provisions of this title of NRS shall budget for this purpose by including the costs in the next regular budget for the school district.}~~

~~{Sec. 8.}~~ Sec. 9. Chapter 391 of NRS is hereby amended by adding thereto a new section to read as follows:

1. There is hereby created a Grant Fund for Incentives for Licensed Educational Personnel to be administered by the Department. The Department may accept gifts and grants from any source for deposit in the Grant Fund.

2. The board of trustees of each school district shall establish a program of incentive pay for licensed educational personnel which must be designed to attract and retain educational personnel. The program may include, without limitation, the attraction and retention of:

(a) Teachers who teach in schools with a specified percentage of pupils who are at risk;

(b) Teachers who hold an endorsement in the field of mathematics, science, special education, English as a second language or other area of need within the school district; and

(c) School psychologists.

3. A program of incentive pay established by a school district must specify the type of financial incentives offered to the licensed educational personnel.

4. If the board of trustees of a school district wishes to receive a grant of money from the Grant Fund for Incentives for Licensed Educational Personnel, the board of trustees shall submit to the Department an application on a form prescribed by the Department. The application must include a description of the program of incentive pay established by the school district.

5. Within the limits of money available in the Grant Fund for Incentives for Licensed Educational Personnel, the Department shall provide grants of money to each school district that submits an application pursuant to subsection 4 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 submitted to the Department, the amount of money available 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 who submitted an application.

6. 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 licensed educational personnel. On or before December 1 of each year, the board of trustees shall submit a report of its evaluation to the:

(a) Governor;

(b) State Board;

(c) If the report is submitted in an even-numbered year, Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature; and

(d) If the report is submitted in an odd-numbered year, Legislative Committee on Education.

~~Sec. 9.~~ **Sec. 10.** 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, ~~for 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. 10.~~ **Sec. 11.** 1. There is hereby appropriated from the State General Fund to the State Distributive School Account the following sums to pay for the inflation of certain projected costs:

For the Fiscal Year 2007-2008\$11,373,101

For the Fiscal Year 2008-2009\$23,087,395

2. The money appropriated by subsection 1 must be distributed to the school districts throughout this State to pay for the inflation of the costs projected by the school districts for utilities, property and liability insurance, health insurance and

educational supplies, material and equipment in preparing the biennial budgetary request for the State Distributive School Account for the 2007-2009 biennium. The money allocated pursuant to this subsection must be in addition to the money that is otherwise distributed to school districts from the State Distributive School Account for those costs for the 2007-2009 biennium.

~~Sec. 11.~~ **Sec. 12.** 1. There is hereby appropriated from the State General Fund to the State Distributive School Account the following sums for textbooks, instructional supplies, classroom supplies, library books, instructional equipment, laboratory science equipment, physical education supplies, athletic supplies, musical instruments, instructional computer hardware and instructional computer software:

For the Fiscal Year 2007-2008\$22,303,750

For the Fiscal Year 2008-2009\$22,997,950

2. To the extent money is available from the appropriation made by subsection 1, the money must be distributed to the school districts throughout this State in an amount approximating \$55 per pupil enrolled in each school district. A school district shall use the money only for textbooks, instructional supplies, classroom supplies, library books, instructional equipment, laboratory science equipment, physical education supplies, athletic supplies, musical instruments, instructional computer hardware and instructional computer software. A school district may not use the money to reduce or supplant the money which would otherwise be expended by the school district for those items.

~~Sec. 12.~~ **Sec. 13.** 1. There is hereby appropriated from the State General Fund to the Department of Education the following sums to provide increases in salaries and associated benefits, excluding health insurance, for teachers and other licensed educational personnel:

For the Fiscal Year 2007-2008\$110,986,030

For the Fiscal Year 2008-2009\$231,061,080

2. The money from the appropriation made by subsection 1 must be apportioned in the same proportions per pupil as established by the Department of Education for the various county school districts for the 2007-2008 Fiscal Year and for the 2008-2009 Fiscal Year. Each school district shall use the money to provide increases in salaries and associated benefits, excluding health insurance, of approximately 5 percent per fiscal year for the teachers and other licensed educational personnel employed by the school district.

3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years 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 19, 2008, and September 18, 2009, respectively, 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 19, 2008, and September 18, 2009, respectively.

~~Sec. 13.~~ **Sec. 14.** 1. There is hereby appropriated from the State General Fund to the State Distributive School Account the following sums for expenses related to providing health insurance for licensed educational personnel:

For the Fiscal Year 2007-2008\$32,057,556

For the Fiscal Year 2008-2009\$72,914,398

2. The money appropriated by subsection 1 must be distributed to the school districts throughout this State to increase the amount of money available to pay the costs of health insurance for the licensed educational personnel of each school

district. The money allocated pursuant to this subsection must be in addition to the money that is otherwise distributed to school districts from the State Distributive School Account for the 2007-2009 biennium.

~~Sec. 14.~~ **Sec. 15.** 1. There is hereby appropriated from the State General Fund to the Public Employees' Benefits Program the following sums for providing health insurance subsidies to retired school district employees pursuant to paragraph (b) of subsection 4 of NRS 287.023:

For the Fiscal Year 2007-2008	\$18,400,000
For the Fiscal Year 2008-2009	\$21,500,000

2. The Public Employees' Benefits Program shall, from the money appropriated by subsection 1, make an allocation to each school district in the proportion of its obligation to the total obligation for all school districts.

~~Sec. 15.~~ **Sec. 16.** 1. There is hereby appropriated from the State General Fund to the Grant Fund for Incentives for Licensed Educational Personnel created by section ~~14~~ 9 of this act the following sums:

For the Fiscal Year 2007-2008	\$29,665,947
For the Fiscal Year 2008-2009	\$31,070,767

2. The Department of Education shall distribute the money appropriated by subsection 1 in accordance with section ~~14~~ 9 of this act.

3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years 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 19, 2008, and September 18, 2009, respectively, 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 19, 2008, and September 18, 2009, respectively.

~~Sec. 16.~~ **Sec. 17.** 1. There is hereby appropriated from the State General Fund to the Department of Education the following sums to provide signing bonuses to licensed educational personnel and school nurses who are newly hired by school districts:

For the Fiscal Year 2007-2008	\$11,882,550
For the Fiscal Year 2008-2009	\$12,834,375

2. A person may not receive a signing bonus until he has been employed with a school district in this State for at least 30 days. A school administrator is not eligible for a signing bonus pursuant to this section. A person may not receive more than one signing bonus pursuant to this section. A person who is employed with a school district in this State before July 1, 2007, and who subsequently transfers to another school district in this State is not eligible to receive a signing bonus pursuant to this section.

3. A school district that wishes to provide signing bonuses to its newly hired licensed educational personnel and school nurses shall submit information to the Department of Education, in a format prescribed by the Department, concerning the number of licensed educational personnel and school nurses who are newly hired by the school district for:

(a) The 2007-2008 school year.

(b) The 2008-2009 school year.

➤ A school district shall submit a request for each fiscal year that it wishes to provide signing bonuses pursuant to this section.

4. Within the limits of the money available from the appropriation made by subsection 1, the Department of Education shall use the money to provide signing bonuses to:

(a) Licensed educational personnel, excluding school administrators, and to school nurses who are newly hired for the 2007-2008 school year; and

(b) Licensed educational personnel, excluding school administrators, and to school nurses who are newly hired for the 2008-2009 school year.

➤ The amount of a bonus paid to each employee must not exceed \$2,500.

5. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years 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 19, 2008, and September 18, 2009, respectively, 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 19, 2008, and September 18, 2009, respectively.

~~Sec. 17.~~ **Sec. 18.** 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:

For the Fiscal Year 2007-2008 \$21,411,600

For the Fiscal Year 2008-2009 \$22,078,032

2. The sums appropriated by subsection 1 must be allocated by the Commission on Educational Excellence created **by** NRS 385.3784 in accordance with the provisions of NRS 385.3781 to 385.379, inclusive.

3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years 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 19, 2008, and September 18, 2009, respectively, 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 19, 2008, and September 18, 2009, respectively.

~~Sec. 18.~~ **Sec. 19.** 1. There is hereby appropriated from the State General Fund to the State Distributive School Account the following sums for English language learner programs:

For the Fiscal Year 2007-2008 \$41,697,482

For the Fiscal Year 2008-2009 \$52,032,102

2. The money appropriated by subsection 1 must be distributed to the school districts throughout this State based upon the number of pupils enrolled in English language learner programs in each school district. The money allocated pursuant to this subsection must be in addition to the money that is otherwise distributed to school districts from the State Distributive School Account for the 2007-2009 biennium for per pupil basic support.

~~Sec. 19.~~ **Sec. 20.** 1. There is hereby appropriated from the State General Fund to the Department of Education for the purchase of portable classrooms for the provision of full-day kindergarten the sum of \$28,380,000.

2. The Department of Education shall distribute the money appropriated by subsection 1 to school districts to assist the school districts with the purchase of the

necessary school facilities to provide full-day kindergarten beginning with the 2008-2009 school year.

3. Any remaining balance of the appropriation made by subsection 1 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. 20.~~ **Sec. 21.** There is hereby appropriated from the State General Fund to the State Distributive School Account the sum of \$75,584,692 for distribution to the school districts for the costs of providing full-day kindergarten in the 2008-2009 school year.

~~Sec. 21.~~ **Sec. 22.** 1. There is hereby appropriated from the State General Fund to the State Distributive School Account the following sums for the addition of 5 days of school to be used for professional development:

For the Fiscal Year 2007-2008 \$35,844,715

For the Fiscal Year 2008-2009 \$36,991,505

2. The money appropriated by subsection 1 must be used by the Department of Education for allocation to the 17 school districts in a fair and equitable manner. A school district that receives an allocation of money shall use the money to provide 5 days of school for the 2007-2008 school year and 5 days of school for the 2008-2009 school year for the professional development of teachers. The 5 days of school for each school year must be in addition to the 180 days required by NRS 388.090 and must be used solely for the professional development of teachers to ensure that the 180 days required by NRS 388.090 are used for the instruction of pupils.

~~Sec. 22.~~ **Sec. 23.** 1. There is hereby appropriated from the State General Fund to the Department of Education the following sums for the support of programs of education for certain pupils who are temporarily removed from the classroom and assigned to a temporary alternative placement:

For the Fiscal Year 2007-2008 \$38,808,000

For the Fiscal Year 2008-2009 \$40,017,000

2. A school district may apply to the Department of Education for a grant of money from the appropriation made by subsection 1. An application must include:

(a) A description of the manner in which the school district ensures that the public schools within the school district comply with NRS 392.4642 to 392.4648, inclusive.

(b) A plan for the school district to use a grant of money to provide programs of education to pupils who are temporarily removed from the classroom and assigned to a temporary alternative placement pursuant to NRS 392.4642 to 392.4648, inclusive, including, without limitation, the payment of salaries and benefits to teachers who provide the programs of education to those pupils.

(c) The proposed budget for the plan set forth in paragraph (b).

(d) Any additional information requested by the Department.

3. The Department shall distribute the money appropriated by subsection 1 to school districts with approved applications based upon the number of elementary schools and secondary schools in each school district. A school district that receives a grant of money shall use the money to pay the salaries and benefits of teachers who provide programs of education to pupils who are temporarily removed from the classroom and assigned to a temporary alternative placement pursuant to NRS 392.4642 to 392.4648, inclusive.

4. If a school district receives a grant of money for the 2007-2008 Fiscal Year and the school district desires to receive a grant of money for the 2008-2009 Fiscal Year, it must submit another application pursuant to subsection 2.

5. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years 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 19, 2008, and September 18, 2009, respectively, 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 19, 2008, and September 18, 2009, respectively.

~~Sec. 23.~~ **Sec. 24.** 1. There is hereby appropriated from the State General Fund to the Department of Education the following sums for school districts to offer career and technical education courses:

For the Fiscal Year 2007-2008\$7,000,000

For the Fiscal Year 2008-2009\$7,000,000

2. The Department of Education shall distribute the money appropriated by subsection 1 to the 17 school districts based upon the number of pupils enrolled in each school district in career and technical education courses. A school district that receives a grant of money pursuant to this subsection must use the money to purchase equipment, supplies, software and related technology, and to pay other costs associated with providing career and technical education courses.

3. Any balance of the sums appropriated by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years 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 19, 2008, and September 18, 2009, respectively, 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 19, 2008, and September 18, 2009, respectively.

~~Sec. 24.~~ **Sec. 25.** 1. If a teacher or school psychologist entered into a contract or other agreement of employment with a school district before July 1, 2007, the board of trustees of the school district shall purchase one-fifth of a year of service for that employee pursuant to subsection 2 of NRS 286.300 if the employee qualified under the provisions of NRS 391.165. On or before August 1, 2007, the board of trustees of each school district shall notify each such employee that he may elect to participate in the program of incentive pay for licensed educational personnel established pursuant to section ~~19~~ 9 of this act if he otherwise qualifies for participation in the program in lieu of the purchase of retirement service on behalf of the employee pursuant to NRS 391.165.

2. On or before October 1, 2007, each employee who was given notice pursuant to subsection 1 shall notify the school district whether he will participate in the program of incentive pay for licensed educational personnel in lieu of the purchase of retirement service on behalf of the employee pursuant to NRS 391.165, as that section existed before July 1, 2007.

~~Sec. 25.~~ **Sec. 26.** NRS 391.165 is hereby repealed.

~~Sec. 26.~~ **Sec. 27.** 1. This section and sections 1, 2, 3, 5, 6, 7 and ~~19~~ 9 to ~~25~~ 26, inclusive, of this act become effective on July 1, 2007.

2. Sections 4 and ~~17~~ 8 of this act become effective on July 1, 2008.

TEXT OF REPEALED SECTION

391.165 Purchase of retirement credit for certain teachers and school psychologists.

1. Except as otherwise provided in subsection 3 and except as otherwise required as a result of NRS 286.537, the board of trustees of a school district shall pay the cost for a licensed teacher or licensed 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) 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) 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:

(I) Which carried the designation of demonstrating need for improvement; or

(II) At which at least 65 percent of the pupils who are enrolled in the school are children who are at risk;

(2) 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) 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 board of trustees of a school district shall pay the cost for a licensed teacher or school psychologist to purchase one-fifth of a year of service for each year that a 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) 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 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 teacher or school psychologist to purchase service pursuant to this section.

5. 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.