

ASSEMBLY BILL NO. 557—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DIVISION OF BUDGET AND PLANNING)

MARCH 28, 2011

Referred to Committee on Education

SUMMARY—Makes an appropriation for pilot programs of performance pay for teachers. (BDR S-1160)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Contains Appropriation 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 making an appropriation to the Department of Education for school districts to establish pilot programs of performance pay for licensed teachers; and providing other matters properly relating thereto.

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

- 1 **Section 1.** 1. There is hereby appropriated from the State
2 General Fund to the Department of Education for Fiscal Year
3 2012-2013 the sum of \$20,000,000 for school districts that adopt a
4 pilot program of performance pay for licensed teachers pursuant to
5 this section.
6 2. The Board of Trustees of the Clark County School District
7 and the Board of Trustees of the Washoe County School District
8 shall, and the board of trustees of each of the other school districts
9 may, submit an application to the Department of Education that sets
10 forth a pilot program of performance pay for licensed teachers
11 adopted by the school district. Each application must be submitted
12 on or before March 1, 2012, and must specify the exact manner in
13 which the money will be used for the pilot program for
14 implementation in the 2012-2013 school year. On or before April 1,
15 2012, the Department of Education shall submit a summary of the



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1 applications to the Governor and to the Legislative Bureau of
2 Educational Accountability and Program Evaluation.

3 3. The pilot program developed by each school district that
4 submits an application must have as its primary focus the
5 improvement in the academic achievement of pupils and must give
6 appropriate consideration to implementation in at-risk schools. The
7 pilot program may include, without limitation, the following
8 components:

9 (a) Group performance incentives that encourage teachers and
10 other educational personnel to collaborate to achieve collective
11 pupil achievement goals;

12 (b) Merit pay for individual teachers based upon multiple
13 assessments, with primary emphasis on individual pupil
14 improvement and growth in academic achievement; and

15 (c) The motivation of teachers to achieve specified goals by
16 providing additional compensation for achievement of specified
17 goals, including without limitation, the following goals:

18 (1) Establishing high standards;

19 (2) Enhancing the achievement of all pupils; and

20 (3) Closing the gap between lower performing and higher
21 performing pupils.

22 4. Each pilot program must be developed in consultation with
23 an advisory board established by the school district which consists
24 of, without limitation:

25 (a) Representatives of the business community;

26 (b) Parents of pupils enrolled in the school district;

27 (c) Licensed educational personnel; and

28 (d) Other persons and representatives as the board of trustees
29 determines appropriate.

30 5. The Department of Education shall distribute the money
31 appropriated by subsection 1 among the school districts whose
32 applications are approved based upon the amount of money that is
33 necessary to carry out each program. If an insufficient amount of
34 money is available to pay for each program, the money from the
35 appropriation must be distributed pro rata based upon the number of
36 licensed teachers who are estimated to be eligible to participate in
37 the program in each school district with an approved application
38 with a minimum of \$5,000 per school district. The amount of
39 compensation that an individual teacher may receive from the grant
40 received by a school district must not exceed \$5,000 per year.

41 6. The board of trustees of each school district that receives a
42 grant of money pursuant to this section shall evaluate the
43 effectiveness of the program for which the grant was awarded. The
44 evaluation must include, without limitation:



(a) An evaluation of whether the program is effective in improving the achievement of pupils;

(b) The number of licensed teachers who participated in the pilot program;

(c) The grade level of the schools that participated in the pilot program;

(d) The subject areas taught by the teachers who participated in the pilot program, if applicable;

(e) The level of experience of the teachers who participated in the pilot program;

(f) The goals and outcomes of the pilot program based upon the components of the pilot program; and

(g) Any recommendations for consideration by the 77th Session of the Nevada Legislature.

7. On or before February 1, 2013, the board of trustees of each school district shall submit a report of its evaluation and any recommendations to the:

(a) Department of Education;

(b) Governor; and

(c) Legislative Bureau of Educational Accountability and Program Evaluation.

8. On or before March 15, 2013, the Department of Education shall compile the reports of the evaluations received pursuant to subsection 7 and submit a written summary of the compilation to the Director of the Legislative Counsel Bureau for transmittal to the 77th Session of the Nevada Legislature.

9. The Department of Education shall, in consultation with representatives appointed by the Nevada Association of School Superintendents and the Nevada Association of School Boards, develop a formula for identifying at-risk schools for purposes of this section. The formula must be developed on or before October 1, 2011, and include, without limitation, the following factors:

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

(b) The transiency rate of pupils;

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

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

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

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

10. A school district that receives a grant for a program of performance pay pursuant to this section shall not use the money:



1 (a) To negotiate the salaries of teachers who participate in the
2 program.

3 (b) To settle or arbitrate disputes between a recognized
4 organization representing employees of a school district and the
5 school district, or to settle any negotiations.

6 (c) To adjust the district-wide schedule of salaries and benefits
7 of the employees of a school district.

8 **Sec. 2.** Any remaining balance of the appropriation made by
9 section 1 of this act must not be committed for expenditure after
10 June 30, 2013, by the entity to which the appropriation is made or
11 any entity to which money from the appropriation is granted or
12 otherwise transferred in any manner, and any portion of the
13 appropriated money remaining must not be spent for any purpose
14 after September 20, 2013, by either the entity to which the money
15 was appropriated or the entity to which the money was subsequently
16 granted or transferred, and must be reverted to the State General
17 Fund on or before September 20, 2013.

18 **Sec. 3.** This act becomes effective on July 1, 2011.

