

CHAPTER.....

AN ACT relating to education; ensuring sufficient funding for K-12 public education for the 2013-2015 biennium; apportioning the State Distributive School Account in the State General Fund for the 2013-2015 biennium; authorizing certain expenditures; making appropriations for purposes relating to basic support, class-size reduction and other educational purposes; temporarily diverting the money from the State Supplemental School Support Account to the State Distributive School Account for use in funding operating costs and other expenditures of school districts; and providing other matters properly relating thereto.

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

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 Fiscal Year 2013-2014 is an estimated weighted average of \$5,590 per pupil. For each respective school district, the basic support guarantee per pupil for Fiscal Year 2013-2014 is:

Carson City	\$6,537
Churchill	\$6,538
Clark	\$5,457
Douglas	\$5,885
Elko	\$6,610
Esmeralda	\$15,916
Eureka	\$100
Humboldt	\$5,242
Lander	\$1,051
Lincoln	\$10,368
Lyon	\$7,082
Mineral	\$9,534
Nye	\$7,038
Pershing	\$8,675
Storey	\$8,345
Washoe	\$5,504
White Pine	\$7,288



**Sec. 2.** 1. The basic support guarantee for school districts for operating purposes for Fiscal Year 2014-2015 is an estimated weighted average of \$5,676 per pupil.

2. On or before April 1, 2014, the Executive Director of the Department of Taxation shall provide to the Superintendent of Public Instruction the certified total of the amount of ad valorem taxes to be received by each school district for Fiscal Year 2014-2015 pursuant to the levy imposed under subsection 1 of NRS 387.195 and credited to the county's school district fund pursuant to subsection 4 of NRS 387.195.

3. Pursuant to NRS 362.115, on or before March 15 of each year, the Department of Taxation shall provide the estimates required by that section.

4. For the purposes of establishing the basic support guarantee, the estimated basic support guarantee per pupil for each school district for Fiscal Year 2014-2015 for operating purposes are:

<u>School District</u>	<u>Basic Support Guarantee Before Adjustment</u>	<u>Estimated Ad Valorem Adjustment</u>	<u>Estimated Basic Support Guarantee as Adjusted</u>
Carson City	\$5,879	\$764	\$6,643
Churchill	\$5,784	\$845	\$6,629
Clark	\$4,721	\$823	\$5,544
Douglas	\$3,996	\$2,002	\$5,998
Elko	\$5,804	\$888	\$6,692
Esmeralda	\$10,717	\$5,081	\$15,798
Eureka	(\$37,979)	\$38,079	\$100
Humboldt	\$3,241	\$2,168	\$5,409
Lander	(\$10,294)	\$10,679	\$385
Lincoln	\$9,503	\$997	\$10,500
Lyon	\$6,501	\$685	\$7,186
Mineral	\$8,387	\$1,235	\$9,622
Nye	\$5,945	\$1,140	\$7,085
Pershing	\$6,460	\$2,278	\$8,738
Storey	\$2,555	\$5,900	\$8,455
Washoe	\$4,634	\$951	\$5,585
White Pine	\$6,016	\$1,299	\$7,315

5. The ad valorem adjustment may be made only to take into account the difference in the ad valorem taxes to be received and the estimated enrollment of the school district between the amount



estimated as of March 1, 2013, and the amount estimated as of March 1, 2014, for Fiscal Year 2014-2015. The estimates received from the Department of Taxation on or before March 15 pursuant to subsection 3 must be taken into consideration in determining the adjustment.

6. Upon receipt of the certified total of ad valorem taxes to be received by each school district for Fiscal Year 2014-2015 pursuant to subsection 2, the Superintendent of Public Instruction shall recalculate the ad valorem adjustment and the tentative basic support guarantee for operating purposes for each school district for Fiscal Year 2014-2015 based on the certified total of ad valorem taxes provided by the Executive Director of the Department of Taxation pursuant to subsection 2. The final basic support guarantee for each school district for Fiscal Year 2014-2015 is the amount which is recalculated for Fiscal Year 2014-2015 pursuant to this section, taking into consideration the estimates received from the Department of Taxation pursuant to NRS 362.115 on or before March 15, 2014. The basic support guarantee recalculated pursuant to this section must be calculated on or before May 31, 2014.

**Sec. 3.** 1. The basic support guarantee for each special education program unit that is maintained and operated for at least 9 months of a school year is \$41,608 in Fiscal Year 2013-2014 and \$42,745 in Fiscal Year 2014-2015, except as limited by subsection 2.

2. The maximum number of units and amount of basic support for special education program units within each of the school districts, before any reallocation pursuant to NRS 387.1221, for Fiscal Year 2013-2014 and Fiscal Year 2014-2015 are:

<u>DISTRICT</u>	<u>Allocation of Special Education Units</u>			
	<u>2013-2014</u>		<u>2014-2015</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
Carson City	81	\$3,370,248	81	\$3,462,345
Churchill County	47	\$1,955,576	47	\$2,009,015
Clark County	1,925	\$80,095,400	1,925	\$82,284,125
Douglas County	70	\$2,912,560	70	\$2,992,150
Elko County	84	\$3,495,072	84	\$3,590,580
Esmeralda County	1	\$41,608	1	\$42,745
Eureka County	3	\$124,824	3	\$128,235
Humboldt County	32	\$1,331,456	32	\$1,367,840
Lander County	12	\$499,296	12	\$512,940
Lincoln County	18	\$748,944	18	\$769,410
Lyon County	63	\$2,621,304	63	\$2,692,935



<u>Allocation of Special Education Units</u>				
<u>2013-2014</u>		<u>2014-2015</u>		
<u>DISTRICT</u>	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
Mineral County	8	\$332,864	8	\$341,960
Nye County	58	\$2,413,264	58	\$2,479,210
Pershing County	16	\$665,728	16	\$683,920
Storey County	8	\$332,864	8	\$341,960
Washoe County	567	\$23,591,736	567	\$24,236,415
White Pine County	16	\$665,728	16	\$683,920
Subtotal	3,009	\$125,198,472	3,009	\$128,619,705
Reserved by State Board of Education	40	\$1,664,320	40	\$1,709,800
TOTAL	<u>3,049</u>	<u>\$126,862,792</u>	<u>3,049</u>	<u>\$130,329,505</u>

3. The State Board of Education shall reserve 40 special education program units in each fiscal year of the 2013-2015 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 \$169,616 in Fiscal Year 2013-2014 and \$174,243 in Fiscal Year 2014-2015 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 an allocation for gifted and talented pupils. For each fiscal year of the 2013-2015 biennium, the Department will award amounts for the gifted and talented based on a review of the applications received from the school districts.

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

For the Fiscal Year 2013-2014..... \$1,134,528,570

For the Fiscal Year 2014-2015..... \$1,110,133,915

2. The money appropriated by subsection 1 must be:

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



(b) Work-programmed for the 2 separate fiscal years of the 2013-2015 biennium, as required by NRS 353.215. Work programs may be revised with the approval of the Governor upon the recommendation of the Chief of the Budget Division of the Department of Administration.

3. 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. The sums appropriated by subsection 1 are available for either fiscal year or may be transferred to Fiscal Year 2012-2013. Money may be transferred from one fiscal year to another with the approval of the Governor upon the recommendation of the Chief of the Budget Division of the Department of Administration. If funds appropriated by subsection 1 are transferred to Fiscal Year 2012-2013, any remaining funds in the State Distributive School Account after all obligations have been met that are not subject to reversion to the State General Fund must be transferred back to Fiscal Year 2013-2014. Any amount transferred back to Fiscal Year 2013-2014 must not exceed the amount originally transferred to Fiscal Year 2012-2013.

5. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2013-2014 must be transferred and added to the money appropriated for Fiscal Year 2014-2015 and may be expended as that money is expended.

6. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2014-2015, including any money added thereto pursuant to the provisions of subsections 3 and 5, must not be committed for expenditure after June 30, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

**Sec. 5.** 1. Expenditure of \$282,795,652 by the Department of Education from money in the State Distributive School Account that was not appropriated from the State General Fund is hereby authorized during Fiscal Year 2013-2014.

2. Expenditure of \$294,230,734 by the Department of Education from money in the State Distributive School Account that was not appropriated from the State General Fund is hereby authorized during Fiscal Year 2014-2015.

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

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 or she 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 or she determines that money to be received will be less than the amount authorized in subsections 1 and 2.

**Sec. 6.** During each fiscal year of the 2013-2015 biennium, 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, the State Controller 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 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. 8.** 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 2013-2014 school year .....	\$128,541
For the 2014-2015 school year .....	\$128,541

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 or her residence is located.

**Sec. 9.** The Department of Education shall transfer from the State Distributive School Account to the school districts the following sums for the National School Lunch Program state match requirement pursuant to NRS 387.105 to reimburse school districts



for the costs of providing meals pursuant to 42 U.S.C. §§ 1751 et seq.:

For the 2013-2014 school year..... \$588,732  
For the 2014-2015 school year..... \$588,732

**Sec. 10.** 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. 11.** 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 Year 2013-2014 and Fiscal Year 2014-2015, and to achieve a pupil-teacher ratio in grade 3 of 19 pupils per teacher in Fiscal Year 2013-2014 and Fiscal Year 2014-2015.

3. For Fiscal Year 2013-2014 and Fiscal Year 2014-2015, available money is estimated to achieve the ratios set forth in subsection 2. However, in recognition of the significant downturn in the national and state economies and to allow school districts flexibility in addressing budget shortfalls during this fiscal crisis and notwithstanding the provisions of NRS 388.700, 388.710 and 388.720 to the contrary, a school district may, for the 2013-2014 school year and the 2014-2015 school year, elect to increase the class size by not more than two pupils per teacher to achieve ratios of 18 pupils per teacher in grades 1 and 2, and 21 pupils per teacher in grade 3. If a school district elects to increase class size as authorized by this subsection:

(a) All money that would have otherwise been expended by the school district to achieve the class sizes set forth in subsection 2 must be used to minimize the impact of budget reductions on class sizes in grades 4 to 12, inclusive;

(b) The reduction of class sizes in grades 4 to 12, inclusive, must be fiscally neutral such that the plan to reduce the ratios in those



grades will not cost more to carry out than complying with the ratios prescribed by subsection 2; and

(c) All plans and reports concerning class size made by the school district to the Department of Education must include the pupil-teacher ratios achieved for each grade level, including grades 1, 2 and 3 and grades 4 to 12, inclusive.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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. 12.** 1. The Department of Education shall transfer from the State Distributive School Account the sum of \$161,704,873 for distribution by the Superintendent of Public Instruction to the county school districts for Fiscal Year 2013-2014 which must, except as otherwise provided in subsection 3 of section 11 of this act and sections 14 and 15 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 subsection 3 of section 11 of this act and sections 14 and 15 of this act, the money transferred by subsection 1 must be used to pay the salaries and benefits of not less than 2,180 teachers employed by school districts to meet the required pupil-teacher ratios in the 2013-2014 school year.

3. Any remaining balance of the sum transferred by subsection 1 must not be committed for expenditure after June 30, 2014, and must be transferred and added to the money appropriated to the State Distributive School Account pursuant to section 4 of this act for Fiscal Year 2014-2015, and may be expended as the money in section 13 of this act is expended.

**Sec. 13.** 1. The Department of Education shall transfer from the State Distributive School Account the sum of \$166,467,936 for distribution by the Superintendent of Public Instruction to the county school districts for Fiscal Year 2014-2015 which must, except as otherwise provided in subsection 3 of section 11 of this act and sections 14 and 15 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 subsection 3 of section 11 of this act and sections 14 and 15 of this act, the money transferred by subsection 1 must be used to pay the salaries and benefits of not less than 2,194 teachers employed by school districts to meet the required pupil-teacher ratios in the 2014-2015 school year.

3. Any remaining balance of the sum transferred by subsection 1, including any money added thereto pursuant to section 12 of this act, must not be committed for expenditure after June 30, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

**Sec. 14.** 1. The board of trustees of each county school district:



(a) Shall file a plan with the Superintendent of Public Instruction describing how the money transferred pursuant to sections 12 and 13 of this act will be used to comply with the required ratio of pupils to teachers in kindergarten and grades 1, 2 and 3 or with the ratio authorized by subsection 3 of section 11 of this act; and

(b) May, after receiving approval of the plan from the Superintendent of Public Instruction, use the money appropriated by sections 12 and 13 of this act to carry out:

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

(2) Programs of remedial education that have been found to be effective in improving pupil achievement in grades 1, 2 and 3, so long as the combined ratio of pupils per teacher in the aggregate of kindergarten and grades 1, 2 and 3 of the school district does not exceed the combined ratio of pupils per teacher in the aggregate of kindergarten and grades 1, 2 and 3 of the school district in the 2004-2005 school year.

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

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

**Sec. 15.** 1. The money transferred for class-size reduction pursuant to sections 12 and 13 of this act:

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

(b) Must 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.

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

2. The money transferred for class-size reduction pursuant to sections 12 and 13 of this act must not be distributed to a school district unless that school district has:

(a) Filed with the Department of Education a plan required by NRS 388.720 for achieving the required ratio set forth in NRS 388.700; and



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

**Sec. 16.** 1. There is hereby appropriated from the State General Fund to the Other State Education Programs Account in the State General Fund the following sums:

For the Fiscal Year 2013-2014 ..... \$30,482,030

For the Fiscal Year 2014-2015 ..... \$30,415,154

2. The money appropriated by subsection 1 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.

3. The Department of Education is hereby authorized to expend from the Other State Education Programs Account the sums of \$17,843,445 for Fiscal Year 2013-2014 and \$18,260,398 for Fiscal Year 2014-2015 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 2013-2015 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.

4. Any remaining balance of the allocations made by subsection 3 for Fiscal Year 2013-2014 must be added to the money received by the school districts for Fiscal Year 2014-2015 and may be expended as that money is expended. Any remaining balance of the allocations made by subsection 3 for Fiscal Year 2014-2015, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

5. The money appropriated by subsection 1 to finance specific programs as outlined in this subsection are available for both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 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 \$54,870 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 for successful completion of the National Board Teacher Certification Program;

(b) A total of \$668,742 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 for Counselor National Board Certification;

(c) A total of \$449,142 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 for LEA library books;

(d) A total of \$1,837,241 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 for educational technology;

(e) A total of \$3,343,822 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 for career and technical education;

(f) A total of \$750,000 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 for the Jobs for America's Graduates Program;

(g) A total of \$850,000, with a maximum of \$50,000 to each of the 17 school districts, in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 to support special counseling services for elementary school pupils at risk of failure; and

(h) A total of \$18,798 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 to pay the increase of salaries of professional school library media specialists required by NRS 391.160.

6. Except as otherwise provided in subsection 4, unencumbered balances of the appropriations made by this section for Fiscal Year 2013-2014 and Fiscal Year 2014-2015 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, 2014, and September 18, 2015, for each fiscal year respectively.

**Sec. 17.** 1. The Department of Education shall transfer from the Other State Education Programs Account the following sums for early childhood education:

For the Fiscal Year 2013-2014..... \$3,338,875

For the Fiscal Year 2014-2015..... \$3,247,375

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; and

(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.

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

(a) Use the money to establish or expand prekindergarten education programs.

(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.

➔ 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 are 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 upon the performance results of the participants. The indicators must include, without limitation:

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

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

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

6. The Department of Education shall conduct a longitudinal study of the early childhood education programs of each school district and community-based organization.

7. The Department of Education shall, on a biennial basis, provide a written report to the Governor, the Legislative Committee on Education and the Director of the Legislative Counsel Bureau regarding the effectiveness of the early childhood education programs for which grants of money were received. The report must include, without limitation:

(a) The number of grants awarded;



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

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

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

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

(d) A description of the programs in this State that are the most effective;

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

(f) Any recommendations for legislation.

8. 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, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

**Sec. 18.** The sums transferred by section 17 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 section 17 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. 19.** 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 2013-2014..... \$48,971,967

For the Fiscal Year 2014-2015..... \$49,707,723

2. The money appropriated by subsection 1, excluding those sums set forth in sections 21 and 22 of this act, 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.

3. Except as otherwise provided in sections 21 and 22 of this act, the amounts appropriated by subsection 1 must be allocated to the school districts pursuant to section 20 of this act for the continuation 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.

4. Of the amount appropriated by subsection 1, excluding those sums set forth in sections 21 and 22 of this act, the sum of \$3,500,000 in Fiscal Year 2013-2014 may be distributed by the Department of Education to assist school districts which receive an allocation pursuant to section 20 of this act with the purchase of portable classrooms for the provision of full-day kindergarten.

**Sec. 20.** 1. Except as otherwise provided in sections 21 and 22 of this act, the Department of Education shall distribute the appropriation made by section 19 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. 21.** 1. The Department of Education shall transfer from the Account for Programs for Innovation and the Prevention of Remediation created by NRS 385.379 to the school districts specified in this section the following sums for Fiscal Year 2013-2014 and Fiscal Year 2014-2015:

<u>School District</u>	<u>2013-2014</u>	<u>2014-2015</u>
Clark County School District	\$4,483,036	\$3,983,356
Elko County School District	\$1,579,736	\$1,243,736
Washoe County School District	\$2,569,856	\$2,233,856
TOTAL:	\$8,632,628	\$7,460,948

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 the 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. In addition to the transfers made by subsection 1, the Department of Education may request a work program revision pursuant to NRS 353.220 to transfer not more than \$1,315,000 from the Reserve Category to the Regional Professional Development Category in the Account for Programs for Innovation and the Prevention of Remediation for use by the regional training programs for the professional development of teachers and administrators to implement the statewide performance evaluation system. If the Department of Education conducts a validation study of the statewide performance evaluation system for teachers and administrators during the 2013-2014 interim, the Interim Finance Committee shall determine the amount of money to transfer based on the results of the validation study, as reported by the Department of Education.

4. Any remaining balance of the transfers made by subsection 1 for Fiscal Year 2013-2014 must be added to the money received by the school districts for Fiscal Year 2014-2015 and may be expended as that money is expended. Any remaining balance of the





transfers made by subsection 1 for Fiscal Year 2014-2015, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

**Sec. 22.** 1. The Department of Education shall transfer from the Account for Programs for Innovation and the Prevention of Remediation created by NRS 385.379 to the Statewide Council for the Coordination of the Regional Training Programs created by NRS 391.516 the sum of \$100,000 in both Fiscal Year 2013-2014 and Fiscal Year 2014-2015 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 the 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 Fiscal Year 2013-2014 must be added to the money received by the Statewide Council for Fiscal Year 2014-2015 and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 1 for Fiscal Year 2014-2015, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

**Sec. 23.** 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 2013-2014 ..... \$25,549,543

For the Fiscal Year 2014-2015 ..... \$27,867,883

2. The money appropriated by subsection 1 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.

3. Of the amount appropriated by subsection 1, the sum of \$10,000,000 for Fiscal Year 2013-2014 and the sum of \$4,000,000 for Fiscal Year 2014-2015 may be distributed by the Department of Education to assist school districts which receive an allocation pursuant to subsection 4 with the facilities necessary to provide kindergarten at the pupil-teacher ratios prescribed by subsection 4.

4. The Department of Education shall allocate the appropriation made by subsection 1 to:

(a) The Clark County School District to provide kindergarten:

(1) In the 2013-2014 Fiscal Year, at a ratio of 21 pupils per teacher in one-third of the full-day kindergarten classrooms for which money is allocated to the School District pursuant to section 20 of this act and in all half-day kindergarten classrooms.

(2) In the 2014-2015 Fiscal Year, at a ratio of 21 pupils per teacher for all kindergarten classrooms in the School District.

(b) All school districts, other than the Clark County School District, to provide full-day and half-day kindergarten in the 2013-2014 Fiscal Year and the 2014-2015 Fiscal Year at a ratio of 21 pupils per teacher.

5. Notwithstanding the provisions of NRS 388.700 to the contrary, a school district that receives an allocation of money pursuant to this section may not request a variance from the State Board of Education to exceed the pupil-teacher ratio prescribed by subsection 4. A principal of a school may submit a request to the superintendent of schools of the school district for the school to exceed the pupil-teacher ratio prescribed by subsection 4 by not more than 20 percent or 25 pupils. If the superintendent grants such a request, the superintendent shall provide written notice to the Department of Education. Each request and approval to exceed the ratio must be made on an individual school basis and not a school-district wide basis.

6. The sums appropriated by subsection 1:

(a) 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 this section.

(b) 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.



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

(d) May not be used to attain the pupil-teacher ratios for which a school district receives an allocation pursuant to sections 11 to 15, inclusive, of this act.

7. A school district that receives an allocation of money pursuant to subsection 4 shall provide a report to the Department of Education on or before August 1, November 1, February 1 and May 1 a report that includes:

(a) The number of teachers employed for kindergarten in order to attain the ratio required by subsection 4;

(b) The average daily attendance of pupils and the ratio of pupils per licensed teacher for kindergarten; and

(c) The number of schools for which approval was granted by the superintendent of schools of the school district to exceed the ratio prescribed by subsection 4 by not more than 20 percent or 25 pupils.

↳ The report must be made for each school at which one or more teachers were employed to attain the ratio required by subsection 4 and must not be made on a school-district wide average.

8. Any remaining balance of the allocations made by subsection 4 for Fiscal Year 2013-2014 must be added to the money received by the school districts for Fiscal Year 2014-2015 and may be expended as that money is expended. Any remaining balance of the allocations made by subsection 4 for Fiscal Year 2014-2015, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

**Sec. 24.** 1. There is hereby appropriated from the State General Fund to the Department of Education for personnel costs at the Department to assist with reporting for class-size reduction the following sums:

For the Fiscal Year 2013-2014 ..... \$35,611

For the Fiscal Year 2014-2015 ..... \$34,470

2. 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, 2014, and September 18, 2015, 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, 2014, and September 18, 2015, respectively.

**Sec. 25.** 1. There is hereby appropriated from the State General Fund to the Grant Fund for Incentives for Licensed Educational Personnel created by NRS 391.166 to purchase one-fifth of a year of retirement service credit pursuant to section 5 of chapter 8, Statutes of Nevada 2007, 23rd Special Session, at page 18:

For the Fiscal Year 2013-2014.....	\$8,800,000
For the Fiscal Year 2014-2015.....	\$5,760,000

2. 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, 2015, and must be reverted to the State General Fund on or before September 18, 2015.

**Sec. 26.** 1. Expenditure of the following sums not appropriated from the State General Fund or the State Highway Fund is hereby authorized during Fiscal Year 2013-2014 and Fiscal Year 2014-2015 by the Department of Education for the State Supplemental School Support Account created by NRS 387.191:

For the Fiscal Year 2013-2014.....	\$131,932,800
For the Fiscal Year 2014-2015.....	\$136,653,300

2. The Superintendent of Public Instruction shall transfer all money credited to the Supplemental School Support Account, created by NRS 387.191, on and after July 1, 2013, through June 30, 2015, to the State Distributive School Account.

**Sec. 27.** NRS 387.191 is hereby amended to read as follows:

387.191 1. Except as otherwise provided in this subsection, the proceeds of the tax imposed pursuant to NRS 244.33561 and any applicable penalty or interest must be paid by the county treasurer to the State Treasurer for credit to the State Supplemental School Support Account, which is hereby created in the State General Fund. The county treasurer may retain from the proceeds an amount sufficient to reimburse the county for the actual cost of collecting and administering the tax, to the extent that the county incurs any cost it would not have incurred but for the enactment of this section or NRS 244.33561, but in no case exceeding the amount authorized by statute for this purpose. Any interest or other income earned on the money in the State Supplemental School Support Account must be credited to the Account.

2. On and after July 1, ~~2013,~~ **2015**, the money in the State Supplemental School Support Account is hereby appropriated for the operation of the school districts and charter schools of the state,



as provided in this section. The money so appropriated is intended to supplement and not replace any other money appropriated, approved or authorized for expenditure to fund the operation of the public schools for kindergarten through grade 12. Any money that remains in the State Supplemental School Support Account at the end of the fiscal year does not revert to the State General Fund, and the balance in the State Supplemental School Support Account must be carried forward to the next fiscal year.

3. On or before February 1, May 1, August 1 and November 1 of ~~2014,~~ **2016**, and on those dates each year thereafter, the Superintendent of Public Instruction shall transfer from the State Supplemental School Support Account all the proceeds of the tax imposed pursuant to NRS 244.33561, including any interest or other income earned thereon, and distribute the proceeds proportionally among the school districts and charter schools of the state. The proportionate amount of money distributed to each school district or charter school must be determined by dividing the number of students enrolled in the school district or charter school by the number of students enrolled in all the school districts and charter schools of the state. For the purposes of this subsection, the enrollment in each school district and the number of students who reside in the district and are enrolled in a charter school must be determined as of the last day of the first school month of the school district for the school year. This determination governs the distribution of money pursuant to this subsection until the next annual determination of enrollment is made. The Superintendent may retain from the proceeds of the tax an amount sufficient to reimburse the Superintendent for the actual cost of administering the provisions of this section, to the extent that the Superintendent incurs any cost the Superintendent would not have incurred but for the enactment of this section, but in no case exceeding the amount authorized by statute for this purpose.

4. The money received by a school district or charter school from the State Supplemental School Support Account pursuant to this section must be used to improve the achievement of students and for the payment of salaries to attract and retain qualified teachers and other employees, except administrative employees, of the school district or charter school. Nothing contained in this section shall be deemed to impair or restrict the right of employees of the school district or charter school to engage in collective bargaining as provided by chapter 288 of NRS.

5. On or before November 10 of ~~2014,~~ **2016**, and on that date each year thereafter, the board of trustees of each school district and



the governing body of each charter school shall prepare a report to the Superintendent of Public Instruction, in the form prescribed by the Superintendent. The report must provide an accounting of the expenditures by the school district or charter school of the money it received from the State Supplemental School Support Account during the preceding fiscal year.

6. As used in this section, “administrative employee” means any person who holds a license as an administrator, issued by the Superintendent of Public Instruction, and is employed in that capacity by a school district or charter school.

**Sec. 28.** Section 8 of chapter 4, Statutes of Nevada 2009, as amended by section 28 of chapter 370, Statutes of Nevada 2011, at page 2153, is hereby amended to read as follows:

Sec. 8. Transitory provision.

1. Notwithstanding the expiration of section 4 of this measure on June 30, 2011, any tax and any interest or penalty owing and unpaid as of that date and collected on or before October 1, 2011, must be paid, deposited and credited to the State General Fund as provided in that section.

2. The Superintendent of Public Instruction shall make the initial transfer from the State Supplemental School Support ~~Fund,~~ **Account**, as required by section 6 of this measure, on or before February 1, ~~2014,~~ **2016**.

3. The board of trustees of each school district and the governing body of each charter school shall prepare their initial reports to the Superintendent of Public Instruction, as required by section 6 of this measure, on or before November 10, ~~2014,~~ **2016**.

**Sec. 29.** 1. This section and sections 1 to 12, inclusive, and 14 to 28, inclusive, of this act become effective on July 1, 2013.

2. Section 13 of this act becomes effective on July 1, 2014.

