Assembly Bill No. 351–Assemblymen Dickman, Moore, Dooling; Edwards, Ellison, Gardner, Hansen, Jones, Kirner, Munford, Oscarson, Shelton, Titus and Wheeler

MARCH 17, 2015

JOINT SPONSORS: SENATORS HARDY; AND SETTELMEYER

Referred to Committee on Education

SUMMARY—Revises provisions relating to projects to benefit charter schools. (BDR 34-1012)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Yes.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to charter schools; revising the requirements for a project that is financed through bonds to benefit a charter school; removing the requirement that such a project pay a prevailing wage; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Director of the Department of Business and Industry to issue bonds and other obligations to finance the acquisition, construction, improvement, restoration or rehabilitation of property, buildings and facilities for charter schools if certain criteria are met. Existing law requires a charter school for whose benefit a project is being financed to have received, within the immediately preceding 3 consecutive school years, one of the two highest ratings of performance pursuant to the statewide system of accountability for public schools. (NRS 386.630, 386.632, 386.634) **Section 1** of this bill instead requires a charter school for whose benefit a project is being financed to have received, within the immediately preceding 2 consecutive school years, one of the three highest ratings of performance pursuant to the statewide system of accountability for public schools.

Existing law requires any contract for new construction, repair or reconstruction for a project financed by the Department for the acquisition, construction, improvement, restoration or rehabilitation of property, buildings and facilities for charter schools to comply with the requirement that the hourly and daily rate of wages must not be less than the prevailing rate of wages in the county



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18 in which the project is located. (NRS 338.013-338.090, 386.647) **Section 2** of this bill removes this requirement.

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

- **Section 1.** NRS 386.632 is hereby amended to read as follows: 386.632 Except as otherwise provided in NRS 386.639, the Director of the Department of Business and Industry shall not finance a project unless, before financing the project, the Director finds and the State Board of Finance approves the findings of the Director that:
- 1. The project consists of any land, building or other improvement, and all real and personal properties necessary in connection therewith, which is suitable for new construction, improvement, restoration or rehabilitation of charter school facilities;
- 2. The charter school for whose benefit the project is being financed is not in default under the written charter or charter contract, as applicable, granted by its sponsor, as determined by the sponsor;
- 3. The charter school for whose benefit the project is being financed has received, within the immediately preceding [3] 2 consecutive school years, one of the [two] three highest ratings of performance pursuant to the statewide system of accountability for public schools, or has received equivalent ratings in another state, as determined by the Department of Education;
- 4. There are sufficient safeguards to ensure that all money provided by the Director of the Department of Business and Industry will be expended solely for the purposes of the project;
- 5. There are sufficient safeguards to ensure that the Director of the Department of Business and Industry will have the ability to monitor compliance with the provisions of NRS 386.612 to 386.649, inclusive, on an ongoing basis with respect to the project;
- 6. Through the advice of counsel or other reliable source, the project has received all approvals by the local, state and federal governments which may be necessary to proceed with construction, improvement, rehabilitation or redevelopment of the project; and
- 7. There has been a request by a charter school, lessee, purchaser or other obligor to have the Director of the Department of Business and Industry issue bonds to finance the project.
 - Sec. 2. NRS 386.647 is hereby amended to read as follows:
- 386.647 1. NRS 386.612 to 386.649, inclusive, without reference to other statutes of this State, constitute full authority for





the exercise of powers granted in those sections, including, without limitation, the authorization and issuance of bonds.

- 2. No other act or law with regard to the authorization or issuance of bonds that provides for an election, requires an approval, or in any way impedes or restricts the carrying out of the acts authorized by NRS 386.612 to 386.649, inclusive, to be done, applies to any proceedings taken or acts done pursuant to those sections, except for laws to which reference is expressly made in those sections or by necessary implication of those sections.
- 3. The provisions of no other law, either general or local, except as provided in NRS 386.612 to 386.649, inclusive, apply to the doing of the things authorized in those sections to be done, and no board, agency, bureau, commission or official not designated in those sections has any authority or jurisdiction over the doing of any of the acts authorized in those sections to be done, except as otherwise provided in those sections.
- 4. A project is not subject to any requirements relating to public buildings, structures, ground works or improvements imposed by the statutes of this State or any other similar requirements which may be lawfully waived by this section, and any requirement of competitive bidding or other restriction imposed on the procedure for award of contracts for such purpose or the lease, sale or other disposition of property is not applicable to any action taken pursuant to NRS 386.612 to 386.649, inclusive. [, except that the provisions of NRS 338.013 to 338.090, inclusive, apply to any contract for new construction, repair or reconstruction for which tentative approval for financing is granted on or after July 1, 2013, by the Director of the Department of Business and Industry for work to be done on a project.]
- 5. Any bank or trust company located within or without this State may be appointed and act as a trustee with respect to bonds issued and projects financed pursuant to NRS 386.612 to 386.649, inclusive, without the necessity of associating with any other person or entity as cofiduciary, but such an association is not prohibited.
- 6. The powers conferred by NRS 386.612 to 386.649, inclusive, are in addition and supplemental to, and not in substitution for, and the limitations imposed by those sections do not affect, the powers conferred by any other law.
- 7. No part of NRS 386.612 to 386.649, inclusive, repeals or affects any other law or part thereof, except to the extent that those sections are inconsistent with any other law, it being intended that those sections provide a separate method of accomplishing its objectives, and not an exclusive one.
- 8. The Director of the Department of Business and Industry or a person designated by the Director may take any actions and





execute and deliver any instruments, contracts, certificates and other documents, including the bonds, necessary or appropriate for the sale and issuance of the bonds or accomplishing the purposes of NRS 386.612 to 386.649, inclusive, without the assistance or intervention of any other officer.

Sec. 3. The provisions of this act do not apply to any contract entered into before July 1, 2015, until renewed.

Sec. 4. This act becomes effective on July 1, 2015.





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