

ASSEMBLY BILL NO. 309—ASSEMBLYMAN FRIERSON

MARCH 18, 2019

Referred to Committee on Ways and Means

SUMMARY—Makes various changes relating to education.
(BDR 34-886)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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

AN ACT relating to education; expressing the intent of the Legislature to account for all state financial aid to public schools in the State Distributive School Account; revising the formula for calculating the basic support guarantee; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law declares that “the proper objective of state financial aid to public education is to ensure each Nevada child a reasonably equal educational opportunity.” (NRS 387.121) To accomplish this objective, the Legislature establishes, during each legislative session and for each school year of the biennium, an estimated statewide average basic support guarantee per pupil. (NRS 387.122) This is the per pupil amount that is “guaranteed” on a statewide basis through a combination of state money and certain local revenues. The basic support guarantee for each school district is computed by multiplying the basic support guarantee per pupil that is established by law for the school district for each school year by pupil enrollment. (NRS 387.121-387.1223) In addition to the basic support guarantee per pupil, state financial aid to public education is provided through various programs, commonly known as “categorical funding,” that target specific purposes or populations of pupils for additional support. Such programs include, without limitation, the Account for the New Nevada Education Funding Plan, Zoom schools and Victory schools. (NRS 387.129-387.139; section 1 of chapter 544, Statutes of Nevada 2017, p. 3768; section 2 of chapter 389, Statutes of Nevada 2015, p. 2199)

Section 1 of this bill declares the intent of the Legislature, commencing with Fiscal Year 2019-2020, to account for all state financial aid to public schools in the State Distributive School Account in the State General Fund. **Section 2** of this bill revises the formula for calculating the basic support guarantee to account for money in the State Distributive School Account which is apportioned by the Legislature for a specific purpose or to support a specific program.



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

Section 1. NRS 387.121 is hereby amended to read as follows:

387.121 1. The Legislature declares that the proper objective of state financial aid to public education is to ensure each Nevada child a reasonably equal educational opportunity. Recognizing wide local variations in wealth and costs per pupil, this State should supplement local financial ability to whatever extent necessary in each school district to provide programs of instruction in both compulsory and elective subjects that offer full opportunity for every Nevada child to receive the benefit of the purposes for which public schools are maintained. Therefore, the quintessence of the State's financial obligation for such programs can be expressed in a formula partially on a per pupil basis and partially on a per program basis as: State financial aid to school districts equals the difference between school district basic support guarantee and local available funds produced by mandatory taxes minus all the local funds attributable to pupils who reside in the county but attend a charter school or a university school for profoundly gifted pupils. This formula is designated the Nevada Plan.


2. It is the intent of the Legislature, commencing with Fiscal Year 2016-2017, to provide additional resources to the Nevada Plan expressed as a multiplier of the basic support guarantee to meet the unique needs of certain categories of pupils, including, without limitation, pupils with disabilities, pupils who are English learners, pupils who are at risk and gifted and talented pupils. As used in this subsection, "pupils who are at risk" means pupils who are eligible for free or reduced-price lunch pursuant to 42 U.S.C. §§ 1751 et seq., or an alternative measure prescribed by the State Board of Education.

3. It is the intent of the Legislature, commencing with Fiscal Year 2019-2020, to promote transparency and accountability in state funding for public education by accounting for all state financial aid to public schools, both on a per pupil basis and on a per program basis, in the State Distributive School Account in the State General Fund.

Sec. 2. NRS 387.122 is hereby amended to read as follows:

387.122 1. For making the apportionments of the State Distributive School Account in the State General Fund required by the provisions of this title, the basic support guarantee per pupil for each school district is established by law for each school year. The formula for calculating the basic support guarantee may be expressed as an estimated weighted average per pupil, based on the total expenditures for public education in the immediately preceding



1 even-numbered fiscal year, plus any legislative appropriations for
2 the immediately succeeding biennium, minus those local funds not
3 guaranteed by the State pursuant to NRS 387.163  *and any money*
4 *that the Legislature directs to be apportioned from the State*
5 *Distributive School Account for a specific purpose or to support a*
6 *specific program.*

7 2. The estimated weighted average per pupil for the State must
8 be calculated as a basic support guarantee for each school district
9 through an equity allocation model that incorporates:

- 10 (a) Factors relating to wealth in the school district;
11 (b) Salary costs;
12 (c) Transportation; and
13 (d) Any other factor determined by the Superintendent of Public
14 Instruction after consultation with the school districts and the State
15 Public Charter School Authority.

16 3. The basic support guarantee per pupil must include a
17 statewide multiplier for pupils with disabilities. Except as otherwise
18 provided in this section, the funding provided to each school district
19 and charter school through the multiplier for pupils with disabilities
20 is limited to the actual number of pupils with disabilities enrolled in
21 the school district or charter school, not to exceed 13 percent of total
22 pupil enrollment for the school district or charter school.

23 4. Except as otherwise provided in this subsection, if a school
24 district or charter school has reported an enrollment of pupils with
25 disabilities equal to more than 13 percent of total pupil enrollment,
26 the school district or charter school must receive, for each such
27 additional pupil, an amount of money equal to one-half of the
28 statewide multiplier then in effect for pupils with disabilities. An
29 apportionment made to a school district or charter school pursuant
30 to this subsection is subject to change from year to year in
31 accordance with the number of pupils with disabilities enrolled in
32 the school district or charter school. If the money available for
33 apportionment pursuant to this subsection is insufficient to
34 make the apportionment otherwise required by this subsection, the
35 Superintendent of Public Instruction shall proportionately reduce the
36 amount so apportioned to each school district and charter school.
37 The Department shall account separately for any money apportioned
38 pursuant to this subsection.

39 5. Not later than July 1 of each even-numbered year, the
40 Superintendent of Public Instruction shall review and, if necessary,
41 revise the factors used for the equity allocation model adopted for
42 the previous biennium and present the review and any revisions at a
43 meeting of the Legislative Committee on Education for
44 consideration and recommendations by the Committee. After the
45 meeting, the Superintendent of Public Instruction shall consider any



1 recommendations of the Legislative Committee on Education,
2 determine whether to include those recommendations in the equity
3 allocation model and adopt the model. The Superintendent of Public
4 Instruction shall submit the equity allocation model to the:

5 (a) Governor for inclusion in the proposed executive budget.

6 (b) Director of the Legislative Counsel Bureau for transmittal to
7 the next regular session of the Legislature.

8 6. The Department shall make available updated information
9 regarding the equity allocation model on the Internet website
10 maintained by the Department.

11 **Sec. 3.** This act becomes effective on July 1, 2019.

