

SENATE BILL NO. 26—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE CLARK COUNTY SCHOOL DISTRICT)

PREFILED NOVEMBER 16, 2018

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing school financial administration. (BDR 31-398)

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

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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 school districts; excluding certain money from collective bargaining negotiations and from consideration in determining the ability of a school district to pay compensation and monetary benefits; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each local government employer to engage in collective bargaining with the recognized employee organization, if any, for each appropriate bargaining unit among its employees. (NRS 288.150) Existing law also establishes a process for the resolution of an impasse in collective bargaining through fact-finding, arbitration or both, but imposes limitations on the money that a fact finder or arbitrator may consider in determining the financial ability of a local government employer to pay compensation or monetary benefits. (NRS 288.200, 288.215, 288.217, 354.6241) Under existing law, for certain governmental funds of a local government other than a school district, a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay, is not subject to negotiations and cannot be considered by a fact finder or arbitrator in determining the ability of the local government to pay compensation or monetary benefits. (NRS 354.6241) This bill establishes that for a school district, an ending fund balance of not more than 8.3 percent of the total budgeted expenditures, less capital outlay, is not subject to negotiations and cannot be considered by a fact finder or arbitrator in determining the ability of the school district to pay compensation or monetary benefits.



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

Section 1. NRS 354.6241 is hereby amended to read as follows:

354.6241 1. The statement required by paragraph (a) of subsection 5 of NRS 354.624 must indicate for each fund set forth in that paragraph:

(a) Whether the fund is being used in accordance with the provisions of this chapter.

(b) Whether the fund is being administered in accordance with generally accepted accounting procedures.

(c) Whether the reserve in the fund is limited to an amount that is reasonable and necessary to carry out the purposes of the fund.

(d) The sources of revenues available for the fund during the fiscal year, including transfers from any other funds.

(e) The statutory and regulatory requirements applicable to the fund.

(f) The balance and retained earnings of the fund.

2. Except as otherwise provided in ~~subsection~~ **subsections 3 and 4** and NRS 354.59891 and 354.613, to the extent that the reserve in any fund set forth in paragraph (a) of subsection 5 of NRS 354.624 exceeds the amount that is reasonable and necessary to carry out the purposes for which the fund was created, the reserve may be expended by the local government pursuant to the provisions of chapter 288 of NRS.

3. For any local government other than a school district, for the purposes of chapter 288 of NRS, a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay, for a general fund:

(a) Is not subject to negotiations with an employee organization; and

(b) Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits.

4. For a school district, for the purposes of chapter 288 of NRS, an ending fund balance of not more than 8.3 percent of the total budgeted expenditures, less capital outlay, for a general fund or a special revenue fund:

(a) Is not subject to negotiations with an employee organization; and

(b) Must not be considered by a fact finder or arbitrator in determining the financial ability of the school district to pay compensation or monetary benefits.



1 **Sec. 2.** Insofar as they conflict with the provisions of such an
2 agreement, the amendatory provisions of this act do not apply
3 during the current term of any collective bargaining agreement
4 entered into before the effective date of this act, but do apply to any
5 extension or renewal of such an agreement and to any agreement
6 entered into on or after the effective date of this act. For the
7 purposes of this section, the term of an agreement ends on the date
8 provided in the agreement, notwithstanding any provision of the
9 agreement that it remains in effect, in whole or in part, after that
10 date until a successor agreement becomes effective.

11 **Sec. 3.** This act becomes effective upon passage and approval.

