

ASSEMBLY BILL NO. 344—ASSEMBLYWOMAN TAYLOR

MARCH 20, 2023

Referred to Committee on Ways and Means

SUMMARY—Revises provisions governing the cost adjustment factor in the Pupil-Centered Funding Plan. (BDR 34-993)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: No.

~

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

AN ACT relating to education; repealing the cost adjustment factor by which the statewide base per pupil funding amount is adjusted in the Pupil-Centered Funding Plan; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes, as part of the Pupil-Centered Funding Plan, a cost adjustment factor by which the statewide base per pupil funding amount is adjusted for each school district and certain charter schools and university schools for profoundly gifted pupils to account for variation between the counties of this State in the cost of living and the cost of labor. (NRS 387.1215) **Section 3** of this bill repeals that provision. **Sections 1 and 2** of this bill make conforming changes to address the repeal of the cost adjustment factor.

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

Section 1. NRS 387.1214 is hereby amended to read as follows:

387.1214 1. After a direct legislative appropriation is made to the State Education Fund from the State General Fund pursuant to NRS 387.1212, the Legislature shall determine the statewide base per pupil funding amount for each fiscal year of the biennium, which is the amount of money expressed on a per pupil basis for the projected enrollment of the public schools in this State, determined to be sufficient by the Legislature to fund the costs of all public



1 schools in this State to operate and provide general education to all
2 pupils for any purpose for which specific funding is not
3 appropriated pursuant to paragraph (a), (b) or (e) of subsection 2 or
4 NRS 387.122. It is the intent of the Legislature that the statewide
5 base per pupil funding amount for any fiscal year, to the extent
6 practicable, be not less than the statewide base per pupil funding
7 amount for the immediately preceding fiscal year, adjusted by
8 inflation, unless the amount of money contained in the State
9 Education Fund, excluding the Education Stabilization Account,
10 decreases from the preceding fiscal year. If the amount of money
11 contained in the State Education Fund, excluding the Education
12 Stabilization Account, decreases from the preceding fiscal year, it is
13 the intent of the Legislature that a proportional reduction be made in
14 both the statewide base per pupil funding amount and the weighted
15 funding appropriated pursuant to paragraph (e) of subsection 2.

16 2. After a direct legislative appropriation is made to the State
17 Education Fund from the State General Fund pursuant to NRS
18 387.1212, the money in the State Education Fund, excluding any
19 amount of money in the Education Stabilization Account, must be
20 appropriated as established by law for each fiscal year of the
21 biennium for the following purposes:

22 (a) To each school district, an amount of money determined to
23 be sufficient by the Legislature, when combined with any other
24 resources available for this purpose, to provide food services and
25 transportation for pupils and any other similar service that the
26 Legislature deems appropriate.

27 (b) To each school district, charter school or university school
28 for profoundly gifted pupils, an amount of money determined to be
29 sufficient by the Legislature, when combined with any other
30 resources available for this purpose, to provide local funding to
31 support pupils with disabilities.

32 (c) To each school district, an amount of money determined to
33 be sufficient by the Legislature, when combined with any other
34 resources available for this purpose, to provide adjusted base per
35 pupil funding for each pupil estimated to be enrolled in the school
36 district.

37 (d) To each charter school or university school for profoundly
38 gifted pupils, an amount of money determined to be sufficient by the
39 Legislature, when combined with any other resources available for
40 this purpose, to provide:

41 (1) The statewide base per pupil funding amount for each
42 pupil estimated to be enrolled full-time in a program of distance
43 education provided by the charter school or university school for
44 profoundly gifted pupils; and



(2) Adjusted base per pupil funding for each pupil estimated to be enrolled in the charter school or university school for profoundly gifted pupils other than a pupil identified in subparagraph (1).

(e) To each school district, charter school or university school for profoundly gifted pupils, an amount of money determined to be sufficient by the Legislature, when combined with any other resources available for this purpose, to provide additional weighted funding for each pupil estimated to be enrolled in the school district, charter school or university school for profoundly gifted pupils who is:

- (1) An English learner;
- (2) An at-risk pupil; or
- (3) A gifted and talented pupil.

3. The adjusted base per pupil funding appropriated pursuant to paragraph (c) of subsection 2 for each school district must be determined by applying the ~~cost adjustment factor established pursuant to NRS 387.1215 which applies to the school district and the~~ attendance area adjustment established pursuant to NRS 387.1218 which applies to each applicable area of the school district to the statewide base per pupil funding amount.

4. The adjusted base per pupil funding appropriated pursuant to subparagraph (2) of paragraph (d) of subsection 2 for each charter school or university school for profoundly gifted pupils must be determined by applying ~~, the cost adjustment factor established pursuant to NRS 387.1215 which applies to the charter school or university school and,~~ if applicable, the attendance area adjustment established pursuant to NRS 387.1218 to the statewide base per pupil funding amount.

5. The weighted funding appropriated pursuant to paragraph (e) of subsection 2 must be established separately for each category of pupils identified in that paragraph and expressed as a multiplier to be applied to the statewide base per pupil funding amount determined pursuant to subsection 1. A pupil who belongs to more than one category of pupils or for whom a school district, charter school or university school for profoundly gifted pupils is eligible to receive the statewide multiplier pursuant to NRS 387.122 must receive only the weighted funding for the single category to which the pupil belongs which has the largest multiplier or the statewide multiplier, whichever is larger. It is the intent of the Legislature that, to the extent practicable:

(a) The multiplier for each category of pupils for any fiscal year be not less than the multiplier for the immediately preceding fiscal year unless:



(1) The amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the preceding fiscal year, in which event it is the intent of the Legislature that a proportional reduction be made in both the statewide base per pupil funding amount and the weighted funding appropriated pursuant to paragraph (e) of subsection 2; or

(2) The amount of money contained in the State Education Fund, excluding the Education Stabilization Account, increases from the preceding fiscal year but in an amount which, after funding the appropriations required by paragraphs (a) to (d), inclusive, of subsection 2, is insufficient to fund the multiplier for each category of pupils, in which event it is the intent of the Legislature that the remaining money in the State Education Fund be used to provide a multiplier for each category of pupils which is as close as practicable to the multiplier for the preceding fiscal year;

(b) The recommendations of the Commission for the multiplier for each category of pupils be considered and the multiplier for one category of pupils may be changed by an amount that is not proportional to the change in the multiplier for one or more other categories of pupils if the Legislature determines that a disproportionate need to serve the pupils in the affected category exists; and

(c) If the multipliers for all categories of pupils in a fiscal year are increased from the multipliers in the immediately preceding fiscal year, a proportional increase is considered for the statewide base per pupil funding amount.

6. For any money identified in subsection 4 of NRS 362.170 which is deposited to the credit of the State Education Fund:

(a) The amount of such money for the county from which the money was collected that does not exceed the total amount of money appropriated pursuant to subsection 2 to the county school district is deemed to be the first money appropriated pursuant to subsection 2 for that county school district.

(b) The amount of such money for the county from which the money was collected which exceeds the total amount of money appropriated pursuant to subsection 2 to the county school district must be transferred to the county school district and is hereby authorized for expenditure as a continuing appropriation for the purpose of mitigating the adverse effects of the cyclical nature of the industry of extracting and processing minerals on the ability of the county school district to offer its pupils a reasonably equal educational opportunity.

7. The weighted funding appropriated pursuant to paragraph (e) of subsection 2:



(a) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district or the governing body of a charter school and the school district or governing body or to settle any negotiations; and

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

Sec. 2. NRS 387.12463 is hereby amended to read as follows:

387.12463 1. The Commission shall:

(a) Provide guidance to school districts and the Department on the implementation of the Pupil-Centered Funding Plan.

(b) Monitor the implementation of the Pupil-Centered Funding Plan and make any recommendations to the Joint Interim Standing Committee on Education that the Commission determines would, within the limits of appropriated funding, improve the implementation of the Pupil-Centered Funding Plan or correct any deficiencies of the Department or any school district or public school in carrying out the Pupil-Centered Funding Plan.

(c) Review the statewide base per pupil funding amount, the adjusted base per pupil funding for each school district and the multiplier for weighted funding for each category of pupils appropriated by law pursuant to NRS 387.1214 for each biennium and recommend any revisions the Commission determines to be appropriate to create an optimal level of funding for the public schools in this State, including, without limitation, by recommending the creation or elimination of one or more categories of pupils to receive additional weighted funding. If the Commission makes a recommendation pursuant to this paragraph which would require more money to implement than was appropriated from the State Education Fund in the immediately preceding biennium, the Commission shall also identify a method to fully fund the recommendation within 10 years after the date of the recommendation.

(d) Review the laws and regulations of this State relating to education, make recommendations to the Joint Interim Standing Committee on Education for any revision of such laws and regulations that the Commission determines would improve the efficiency or effectiveness of public education in this State and notify each school district of each such recommendation.

(e) Review and recommend to the Department revisions of the ~~cost adjustment factors for each county established pursuant to NRS 387.1215 and the~~ method for calculating the attendance area adjustment established pursuant to NRS 387.1218.

2. The Commission shall present any recommendations pursuant to paragraphs (a) to (d), inclusive, of subsection 1 at a meeting of the Joint Interim Standing Committee on Education for



- 1 consideration and revision by the Committee. The Joint Interim
2 Standing Committee on Education shall review each
3 recommendation of the Commission and determine whether to
4 transmit the recommendation or a revised version of the
5 recommendation to the Governor or the Legislature.
6 **Sec. 3.** NRS 387.1215 is hereby repealed.
7 **Sec. 4.** This act becomes effective on July 1, 2023.

TEXT OF REPEALED SECTION

387.1215 Establishment of cost adjustment factor for certain public schools in each county.

1. To account for variation between the counties of this State in the cost of living and the cost of labor, the Department shall establish by regulation cost adjustment factors for the school district located in, and each charter school that provides classroom-based instruction in, each county of this State.

2. Not later than May 1 of each even-numbered year, the Department shall review and determine whether revisions are necessary to the cost adjustment factors for the school district located in each county of this State. The Department shall present the review and any revisions at a meeting of the Joint Interim Standing Committee on Education for consideration and recommendations by the Committee. After the meeting, the Department shall consider any recommendations of the Joint Interim Standing Committee on Education, determine whether to include those recommendations and adopt by regulation any revision to the cost adjustment factors. The Department shall submit any revision to the cost adjustment factors to each school district, the Governor and the Director of the Legislative Counsel Bureau.

