ASSEMBLY BILL NO. 76–COMMITTEE ON EDUCATION

(ON BEHALF OF THE COMMISSION ON SCHOOL FUNDING)

PREFILED NOVEMBER 18, 2026

Referred to Committee on Education

SUMMARY—Revises provisions relating to school funding. (BDR 34-537)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Contains Appropriation not included in Executive Budget.
Effect on the State Highway Fund: 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 education; revising provisions governing the provision of funding for pupils with disabilities; revising provisions governing funding provided for at-risk pupils; requiring the State Board of Education to prescribe certain methodologies, indicators and thresholds concerning the classification of at-risk pupils; revising provisions governing the separate accounting of certain funding; revising provisions governing monthly apportionments from the State Education Fund; revising provisions relating to the transportation of pupils; revising the duties of the Commission on School Funding; revising provisions governing the preparation of the state budget for education; making an appropriation; 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" and establishes the Pupil-Centered Funding Plan as the formula for distribution of money to the public schools in this State to accomplish that objective. (NRS 387.121) Existing law creates the State Education Fund for the purpose of supporting the operation of the public schools in this State and identifies the sources of revenue for the State Education Fund. (NRS 387.1212) Under the Pupil-Centered Funding Plan, after an appropriation is made from the State General

Fund to the State Education Fund, the Legislature is required to determine the statewide base per pupil funding amount for each fiscal year of the biennium. The Legislature is then required to appropriate money from the State Education Fund to each school district, charter school and university school for profoundly gifted pupils for certain purposes, including, without limitation: (1) for the support of pupils with disabilities; (2) for adjusted base per pupil funding that adjusts the statewide base per pupil funding amount with a cost adjustment factor to account for variations between the counties in this State in the costs of living and labor and an attendance area adjustment to account for the increased cost per pupil to operate public schools in areas with lower population density; and (3) for weighted funding for each pupil who is an English learner, an at-risk pupil or a gifted and talented pupil. (NRS 387.1214, 387.1215, 387.1218) **Section 22** of this bill repeals the provisions setting forth the statewide multiplier for pupils with disabilities. (NRS 387.122) **Section 9** of this bill instead requires funding for the support of pupils with disabilities to be appropriated as additional weighted funding for each pupil with a disability enrolled in the school district, charter school or university school for profoundly gifted pupils. **Section 9** additionally expresses the intent of the Legislature to consider recommendations developed by the Commission on School Funding pursuant to **section 18** of this bill for a methodology to provide certain additional funding to pupils who belong to multiple categories for which weighted funding is available beginning when the statewide base per pupil funding level reaches a certain amount. **Section 6** of this bill expresses that the intent of the Legislature is to make this change to weighted funding without causing any unexpected loss of funding for public schools, and **section 21** of this bill makes an appropriation from the State General Fund to the Department of Education for the purpose of making distributions of money to school districts, charter schools and university schools for profoundly gifted pupils to carry out that intent in the 2027-2029 biennium. **Section 21** additionally requires the Department to adopt regulations governing such distribution of money. **Sections 11-16, 18 and 19** of this bill make conforming changes to reflect the transition to weighted funding for pupils with disabilities as set forth in **section 9**.

Existing law defines a pupil who is an at-risk pupil for the purpose of receiving additional weighted funding under the Pupil-Centered Funding Plan as a pupil who is within the quintile of pupils determined to be most in need of additional services and assistance to graduate based on one or more measures prescribed by the State Board of Education. (NRS 387.1211) **Section 5** of this bill instead: (1) requires the State Board, in consultation with the Department and the Commission on School Funding to establish the indicators that a pupil is an at-risk pupil and the threshold at which a pupil is determined to be most in need of additional services and assistance to graduate with his or her graduating cohort; and (2) review and submit certain reports concerning any revisions made by the State Board to those indicators or thresholds. **Section 7** of this bill revises the definition of the term "at-risk pupil" to correspond with the provisions of **section 5**.

Section 10 of this bill requires: (1) the Commission on School Funding to develop a methodology for revising the cost adjustment factors to meaningfully account for variations between the counties in this State in the cost of living and the cost of labor if the statewide base per pupil funding reaches a certain amount; and (2) the Department to revise the established cost adjustment factors in accordance with that methodology when the statewide base per pupil funding reaches a certain higher amount.

Under existing law, the money in the State Education Fund is apportioned among school districts, charter schools and university schools for profoundly gifted pupils based on the average daily enrollment reported to the Department for each quarter of the school year. Existing law further provides, with certain exceptions, that if the average daily enrollment of pupils of a school district or charter school

for a quarter of the school year has decreased by more than 5 percent of the average daily enrollment for that quarter of the immediately preceding school year, the apportionment for that school district or charter school must be based on the average daily enrollment of pupils for that quarter of the immediately preceding school year. (NRS 387.1223) **Section 11** instead requires 97 percent of the average daily enrollment of pupils for the same quarter of the immediately preceding school year to be used for apportionment purposes if average daily enrollment is less than 97 percent of the average daily enrollment for the same quarter of the immediately preceding school year. (NRS 387.1223) **Section 11** additionally authorizes a school district, charter school or university school for profoundly gifted pupils that meets certain requirements prescribed by the Department to submit a written application requesting monthly apportionments to be paid 30 days earlier than such apportionments would otherwise be provided. **Section 13** makes a conforming change to exempt certain schools that receive monthly apportionments early pursuant to **section 11** from provisions setting forth the standard schedule for providing apportionments from the State Education Fund. (NRS 387.124)

Existing law authorizes the board of trustees of a school district to: (1) furnish transportation for all resident children of school age within the school district attending a public school; and (2) establish certain regulations and policies governing such transportation. (NRS 386.790) Existing law additionally: (1) places certain restrictions on the use of transportation funds; and (2) authorizes the board of trustees of a school district to arrange and contract for transportation with certain entities. (NRS 386.795, 386.800) **Section 1** of this bill authorizes the governing body of a charter school or university school for profoundly gifted pupils to additionally furnish such transportation to pupils enrolled in the school. **Sections 1-3** of this bill make conforming changes to apply certain requirements governing transportation to a charter school or university school for profoundly gifted pupils that provides such transportation. **Section 9** provides for money to be appropriated under the Pupil-Centered Funding Plan to charter schools and university schools for profoundly gifted pupils for food and transportation services in the same manner that money is appropriated to school districts for such purposes. (NRS 387.1214) **Section 22** repeals provisions: (1) requiring the Department to establish a program to award grants of money for the purpose of providing certain pupils with transportation; and (2) authorizing the State Public Charter School Authority to award money to certain charter schools for the transportation of pupils. (NRS 388.041, 388A.3936)

Section 17 of this bill removes the authority of the Governor, when preparing the proposed budget for the next biennium, to waive the requirement to reserve for appropriation to and from the State Education Fund certain amounts if the Governor determines such reservation is not practicable. (NRS 387.12455) **Section 9** removes from legislative intent that the Legislature will establish certain funding levels for the State Education Fund if practicable, thereby establishing legislative intent to establish those funding levels for the State Education Fund but not requiring the Legislature to provide that level of funding.

Section 8 of this bill revises provisions governing authorized transfers of money from the Education Stabilization Account to the State Education Fund to authorize such a transfer if the Interim Finance Committee finds that enrollment changes, rather enrollment in excess of projections, exceed the costs of projected enrollment such that a transfer is necessary. (NRS 387.1213)

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

Section 1. NRS 386.790 is hereby amended to read as follows:

386.790 1. As provided in this title, the board of trustees of any school district ***or the governing body of any charter school or university school for profoundly gifted pupils*** may furnish transportation for all ~~[resident]~~ children of school age ***enrolled*** in ***a school in*** the school district ~~[attending a public]~~ ***or enrolled in the charter*** school ~~[,]~~ ***or university school for profoundly gifted pupils,*** including pupils assigned to special schools or programs pursuant to NRS 388.417 to 388.469, inclusive, or 388.5251 to 388.5267, inclusive ~~[.]~~ ***, as applicable:***

(a) Who are not excused from school attendance by the provisions of this title; and

(b) Who ***, as applicable,*** reside within the school district at such a distance from the school as to make transportation necessary and desirable.

2. When the board of trustees of a school district whose population is less than 100,000 furnishes transportation for pupils attending public schools pursuant to subsection 1, the board may also provide transportation for all resident children of school age in the school district attending private schools not operated for profit, over bus routes established for pupils attending public schools. If such transportation is provided, the pupils attending such private schools must be transported, if space is available, to and from the points on the established routes nearest to the schools which they attend.

3. The board of trustees of any school district ***and the governing body of any charter school or university school for profoundly gifted pupils*** may:

(a) Establish bus routes.

(b) Make regulations governing the conduct of pupils while being transported.

(c) For the safety of pupils being transported, govern the conduct of drivers by making and enforcing regulations not inconsistent with regulations of the State Board of Education or with law.

4. If the board of trustees of a school district furnishes transportation pursuant to this section, the board of trustees may elect not to provide transportation to pupils who attend a public school outside the zone of attendance that the pupil is otherwise required to attend pursuant to paragraph (e) of subsection 2 of NRS 388.040.

Sec. 2. NRS 386.795 is hereby amended to read as follows:

386.795 1. As used in this section, "vehicles" means the school buses, station wagons, automobiles and other motor or mechanically propelled vehicles required by the school district ***, or the governing body of a charter school or university school for profoundly gifted pupils,*** for the transportation of pupils.

2. The board of trustees of a school district ***and the governing body of a charter school or university school for profoundly gifted pupils*** shall use transportation funds ~~[of the school district]~~ for:

(a) The purchase, rent, hire and use of vehicles, and for necessary equipment, supplies and articles therefor.

(b) Necessary repairs of vehicles to keep them in safe and workable condition.

(c) The employment and compensation of capable and reliable drivers of vehicles and other employees necessary for the transportation of pupils and other authorized persons.

(d) Insuring vehicles owned, rented, hired, used or operated by or under the direction or supervision of the board of trustees. Such insurance shall:

(1) Be of such an amount as the board of trustees ***of the school district or the governing body of the charter school or university school for profoundly gifted pupils*** may be able to obtain and the regulations of the State Board of Education require as sufficient to protect the board of trustees ~~[,]~~ ***of the school district or the governing body of the charter school or university school for profoundly gifted pupils,*** the pupils being transported, and their parents, guardians or legal representatives from loss or damage resulting from acts covered by the insurance.

(2) Especially insure against loss and damage resulting from or on account of injury or death of any pupil being transported, caused by a crash or any accident during the operation of any such vehicle.

Sec. 3. NRS 386.800 is hereby amended to read as follows:

386.800 1. In addition to the purposes authorized by NRS 386.795, ~~[a]~~ ***the*** board of trustees ***of a school district and the governing body of a charter school or university school for profoundly gifted pupils*** may use transportation funds ~~[of the school district]~~ for:

(a) Arranging and paying for transportation, in accordance with subsection 2, by motor vehicles or otherwise, by contract or such other arrangement as the board of trustees ***of the school district or the governing body of the charter school or university school for profoundly gifted pupils*** finds most economical, expedient and feasible and for the best interests of the school district ~~[.]~~ ***, charter***

school or university school for profoundly gifted pupils, as applicable.

(b) Purchasing tickets at reduced rates for the transportation of pupils, including, without limitation, homeless pupils, on public buses for use by pupils enrolled in middle school, junior high school and high school to travel to and from school.

2. Transportation may be arranged and contracted for by ~~[a]~~ ***the*** board of trustees ***of a school district or the governing body of a charter school or university school for profoundly gifted pupils*** with:

(a) Any railroad company holding a certificate of public convenience and necessity issued by the Public Utilities Commission of Nevada or bus company or other licensed common carrier holding a certificate of public convenience and necessity issued by the Nevada Transportation Authority.

(b) The owners and operators of private automobiles or other private motor vehicles, including parents of pupils who attend school and are entitled to transportation. When required by the board of trustees ~~[,]~~ ***of the school district or the governing body of the charter school or university school for profoundly gifted pupils,*** every such private automobile or other private motor vehicle regularly transporting pupils must be insured in the amount required by regulation of the State Board against the loss and damage described in subsection 2 of NRS 386.795.

Sec. 4. Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:

Sec. 5. ***1. The State Board, in consultation with the Department and the Commission on School Funding, shall establish the methodology for determining whether a pupil is an at-risk pupil who is most in need of additional services and assistance to graduate from high school with his or her graduating cohort. In establishing the methodology, the State Board shall, in consultation with the Department and Commission on School Funding:***

(a) Identify indicators that a pupil is in need of additional services and assistance to graduate from high school with his or her graduating cohort, which may include, without limitation, whether a pupil:

(1) Displays risk factors indicating a high probability of experiencing adverse academic outcomes;

(2) Is at risk of dropping out of high school;

(3) Fails to meet minimum standards of proficiency; or

(4) Has a high rate of absenteeism; and

(b) Based on the indicators identified pursuant to paragraph (a), establish a threshold above which a pupil will be determined to

be an at-risk pupil who is most in need of additional services and assistance to graduate from high school with his or her graduating cohort. In establishing such a threshold, the State Board shall consider the average number of pupils who were determined to be an at-risk pupil for the immediately preceding 3 fiscal years. Any threshold established pursuant to this paragraph must not result in a number of pupils being determined to be an at-risk pupil during a biennium that is less than the number of pupils determined to be an at-risk pupil for the immediately preceding biennium.

2. At any time, the State Board, in consultation with the Department and Commission on School Funding, may add, remove or maintain any indicator identified for use in the methodology established pursuant to subsection 1 and may change any threshold established pursuant to subsection 1. In adding, removing or maintaining any indicator or changing any threshold, the State Board shall consider any analysis prepared by the Department or the Commission on School Funding concerning the impact, reliability or quality of the indicator or threshold in the immediately preceding biennium.

3. Not less than once every 5 years, the State Board, in consultation with the Department and Commission on School Funding, shall review the methodology established pursuant to subsection 1, including, without limitation, a review of the impact, reliability and quality of the indicators and thresholds, and determine whether to add, remove or maintain any indicator or change any threshold used in that methodology.

4. Not later than July of each even-numbered year, the State Board shall submit to the Director of the Legislative Counsel Bureau for transmittal to the Joint Interim Standing Committee on Education a report of whether the State Board has added, removed or maintained any indicator or changed any threshold used in the methodology established pursuant to subsection 1.

5. As used in this section, "graduating cohort" means a group of pupils who, as of the date on which they begin high school, are scheduled to graduate from high school at the end of a specified year.

Sec. 6. 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 by combining money raised pursuant to state law at the local level with state money to provide a certain basic level of support to each pupil in this State, adjusted to account for variation in the local costs to provide a reasonably equal educational opportunity to pupils and for the costs of providing a reasonably equal educational opportunity to pupils with certain additional educational needs. This formula is designated the Pupil-Centered Funding Plan.

2. 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 and projected local financial aid to public schools, both on a per pupil basis and on a per program basis, and expressing the total per pupil amount of all such support.

3. It is the intent of the Legislature to accomplish the transition to the Pupil-Centered Funding Plan without causing an unexpected loss of revenue to any school district, charter school or university school for profoundly gifted pupils which may receive less money on a per-pupil basis under the Pupil-Centered Funding Plan than the district, charter school or university school for profoundly gifted pupils received during the fiscal year ending on June 30, 2020. Except as otherwise provided in subsection 4, if a school district, charter school or university school for profoundly gifted pupils would receive less money under the Pupil-Centered Funding Plan than the district, charter school or university school for profoundly gifted pupils received during the fiscal year ending on June 30, 2020, it is the intent of the Legislature that the school district, charter school or university school for profoundly gifted pupils instead receive a reasonably similar level of funding on a per-pupil basis that the district, charter school or university school for profoundly gifted pupils received during the fiscal year ending on June 30, 2020, and be given the flexibility to reapportion money between its adjusted base per pupil funding and weighted funding in a manner similar to the apportionment of such money in the fiscal year ending on June 30, 2020, to ensure that each pupil in the district, charter school or university school for profoundly gifted pupils receives a reasonably equal educational opportunity. When determining whether charter schools should receive a reasonably similar level of funding on a per-pupil basis that charter schools received during the fiscal year ending on June 30, 2020, it is the intent of the Legislature that all charter schools should be considered as a whole rather than evaluated individually.

4. It is the intent of the Legislature to ensure that no school district that receives a modified allocation of money as described in subsection 3 receives less funding in a school year than the school district received in the immediately preceding school year unless the enrollment in the school district continues to decline for a period of 2 years or more. In the event of such an enrollment decline, it is the intent of the Legislature to determine an appropriate method to mitigate the effects of a continued decline in enrollment, which may include, without limitation, appropriating money to the school district as if the number of pupils enrolled in the district equaled the average number of pupils enrolled in the district over a rolling 3-year period.

5. It is the intent of the Legislature to accomplish the transition to the use of weighted funding to provide additional funding for pupils with disabilities without causing an unexpected loss of revenue for any school district, charter school or university school for profoundly gifted pupils that would receive less revenue on a per-pupil basis under the use of weighted funding than was received during the fiscal year ending on June 30, 2026. Except as otherwise provided in subsection 6, if a school district, charter school or university school for profoundly gifted pupils would receive less money on a per-pupil basis under the use of weighted funding than was received during the fiscal year ending June 30, 2026, it is the intent of the Legislature that the school district, charter school or university school for profoundly gifted pupils instead receive a reasonably similar level of funding on a per-pupil basis as was received during the fiscal year ending on June 30, 2026. When determining whether charter schools should receive a reasonably similar level of funding on a per-pupil basis that charter schools received during the fiscal year ending on June 30, 2026, it is the intent of the Legislature that all charter schools should be considered as a whole rather than evaluated individually.

6. It is the intent of the Legislature to ensure that no school district, charter school or university school for profoundly gifted pupils that receives a modified allocation of money as described in subsection 5 receives less funding in a school year than the school district, charter school or university school for profoundly gifted pupils received in the immediately preceding school year unless the enrollment of pupils with disabilities in the school district, charter school or university school for profoundly gifted pupils continues to decline for a period of 2 years or more.

Sec. 7. NRS 387.1211 is hereby amended to read as follows:

387.1211 As used in NRS 387.121 to 387.12468, inclusive ~~[:]~~ ***, and section 5 of this act:***

1. "At-risk pupil" means a pupil who is ~~[within the quintile of pupils]~~ determined to be most in need of additional services and assistance to graduate based on ~~[one or more]~~ ***the presence of multiple*** measures ***or indicators*** prescribed by the State Board ~~[, which may include, without limitation, consideration of whether a pupil:~~

~~(a) Is economically disadvantaged;~~

~~(b) Is at risk of dropping out of high school; or~~

~~(c) Fails to meet minimum standards of academic proficiency.]~~ ***pursuant to section 5 of this act.***

2. "Average daily attendance" means the total number of pupils attending a particular school each day during a period of reporting divided by the number of days school is in session during that period.

3. "Average daily enrollment" means the total number of pupils enrolled in and scheduled to attend a public school in a specific school district during a period of reporting divided by the number of days school is in session during that period.

4. "Commission" means the Commission on School Funding created by NRS 387.1246.

5. "Enrollment" means the count of pupils enrolled in and scheduled to attend programs of instruction of a school district, charter school or university school for profoundly gifted pupils at a specified time during the school year.

Sec. 8. NRS 387.1213 is hereby amended to read as follows:

387.1213 1. The Education Stabilization Account is hereby created in the State Education Fund. Except as otherwise provided in this section, each year after the close of the previous fiscal year and before the close of the then current fiscal year, each county school district shall transfer from the county school district fund to the Education Stabilization Account any amount by which the actual ending fund balance of the county school district fund exceeds 16.6 percent of the total actual expenditures for the fund. The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.

2. Money transferred pursuant to subsection 1 to the Education Stabilization Account is a continuing appropriation solely for the purpose of authorizing the expenditure of the transferred money for the purposes set forth in this section.

3. The balance in the Education Stabilization Account must not exceed 20 percent of the total of all appropriations and authorizations from the State Education Fund, excluding the Education Stabilization Account, for the immediately preceding fiscal year. Any money transferred to the Education Stabilization

Account which exceeds this amount must instead be transferred to the State Education Fund.

4. If the Interim Finance Committee finds that:

(a) Upon submission of a request from the Department, the actual enrollment ~~[growth]~~ ***changes*** for a fiscal year ~~[exceeds]~~ ***exceed*** the ***costs of*** projected enrollment growth by an amount that the Interim Finance Committee determines would make a transfer of money to the State Education Fund necessary to fund the excess enrollment;

(b) The collection of revenue in any fiscal year will result in the State Education Fund receiving less money than authorized for expenditure from the State Education Fund;

(c) Upon submission of a request from the Department, any amount of money which was deposited in the State Education Fund is found by an audit to have been deposited in error;

(d) Upon submission of a request from the Department, any error in the application of the Pupil-Centered Funding Plan by the Department has created a shortfall in the State Education Fund; or

(e) Upon submission of a request from the Department, the Department is required to undertake extraordinary measures to oversee or allocate resources to a school district or sponsor of a charter school that is designated as a focus school district or sponsor of a charter school or a priority school district or sponsor of a charter school pursuant to NRS 385A.915 or a public school that is designated as a focus school pursuant to NRS 385A.745 or as a persistently priority school pursuant to subsection 6 of NRS 388.113,

➥ the Committee shall by resolution establish an amount of money to transfer from the Education Stabilization Account to the State Education Fund and direct the State Controller to transfer that amount to the State Education Fund. The State Controller shall thereupon make the transfer.

5. When determining the actual ending fund balance for the purposes of subsection 1, each county school district shall exclude:

(a) Any money deposited in the county school district fund on or before June 30, 2020;

(b) Any money apportioned to the county school district for capital projects or debt service pursuant to subsection 2 of NRS 362.170 and deposited in the county school district fund when authorized by law; and

(c) Any money transferred to the county school district and authorized for expenditure as a continuing appropriation pursuant to paragraph (b) of subsection 6 of NRS 387.1214.

6. If the Superintendent of Public Instruction determines that the money due from the State Education Fund to a county school

district, charter school or university school for profoundly gifted pupils pursuant to NRS 387.185 exceeds the amount of money available in the State Education Fund because of a delay in expected receipts, he or she may request from the Director of the Office of Finance a temporary advance from the Education Stabilization Account for the payment of such money due. Upon receipt of such a request, the Director of the Office of Finance shall make a recommendation to the Interim Finance Committee to approve the temporary advance in whole or in part or to deny the request. If the Interim Finance Committee approves the request in whole or in part, the Director of the Office of Finance shall notify the State Controller and the Fiscal Analysis Division of the Legislative Counsel Bureau of the amount approved by the Interim Finance Committee, and the State Controller shall draw his or her warrant upon receipt of such a notice of approval. Any money which is temporarily advanced from the Education Stabilization Account pursuant to this subsection must be repaid by August 31 following the end of the fiscal year in which the temporary advance is made.

7. The balance remaining in the State Education Fund, excluding the balance remaining in the Education Stabilization Account, that has not been committed for expenditure on or before June 30 of an odd-numbered fiscal year must be transferred to the Education Stabilization Account to the extent that such a transfer would not cause the balance in the Education Stabilization Account to exceed the limit established in subsection 3.

Sec. 9. 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 schools in this State to operate and provide general education to all pupils for any purpose for which specific funding is not appropriated pursuant to paragraph (a) ~~[, (b)]~~ or ~~[(c)]~~ ***(d)*** of subsection 2 **.** ~~[or NRS 387.122.]~~ It is the intent of the Legislature that the statewide base per pupil funding amount for any fiscal year ~~[, to the extent practicable,]~~ be not less than the statewide base per pupil funding amount for the immediately preceding fiscal year, adjusted by the rate of inflation, unless the amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the preceding fiscal year. If the amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the

preceding fiscal year, 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 ~~[(c)]~~ ***(d)*** of subsection 2.

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

(a) To each school district, ***charter school and 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 food services and transportation for pupils and any other similar service that the Legislature deems appropriate.

(b) ~~[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 local funding to support pupils with disabilities.~~

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

~~[(d)]~~ ***(c)*** To each 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:

(1) The statewide base per pupil funding amount for each pupil estimated to be enrolled full-time in a program of distance education provided by the charter school or university school for 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)]~~ ***(d)*** 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 pupil with a disability; or***

(4) A gifted and talented pupil.

3. The adjusted base per pupil funding appropriated pursuant to paragraph ~~[(c)]~~ ***(b)*** 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)]~~ ***(c)*** 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)]~~ ***(d)*** 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)]~~ ***(d)*** 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,]~~ ***, (b) and (c)*** 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 ~~[.]~~ ***; and***

(d) If the statewide base per pupil funding amount for a fiscal year is at least 80 percent of the national average base per pupil funding amount, as reported by the National Center on Education Statistics, the recommendations of the Commission developed pursuant to paragraph (k) of subsection 1 of NRS 387.12463 will be considered to provide funding for pupils who belong to more than one category described in paragraph (d) of subsection 2 that is commensurate with membership in each such category beginning with the fiscal year immediately following the fiscal year in which the statewide base per pupil funding amount is at least 90 percent of the national average base per pupil funding amount, as reported by the National Center on Education Statistics.

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 and the first money spent by that county school district from the county school district fund during the applicable fiscal year.

(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 ~~[(c)]~~ ***(d)*** 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.

8. As used in this section, "rate of inflation" has the meaning ascribed to it in NRS 387.12455.

Sec. 10. NRS 387.1215 is hereby amended to read as follows:

387.1215 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.

3. Not later than May 1 of the fiscal year immediately following a fiscal year in which the statewide base per pupil funding amount is not less than 80 percent of the national average base per pupil funding amount, as reported by the National Center on Education Statistics, the Commission shall review the cost adjustment factors established pursuant to this section and determine whether revisions are necessary to those cost adjustment factors to meaningfully account variations between the counties of this State in the cost of living and the cost of labor. If the Commission determines such revisions are necessary, the Commission shall develop a methodology to calculate the cost adjustment factors to provide for a meaningful accounting for the variations between the counties of this State in the cost of living and the cost of labor. In accordance with the methodology

developed by the Commission, the Department shall revise the cost adjustment factors in the manner described in subsection 2 for use during a biennium in which the statewide base per pupil funding amount is not less than 90 percent of the national average base per pupil funding amount, as reported by the National Center on Education Statistics.

Sec. 11. NRS 387.1223 is hereby amended to read as follows:

387.1223 1. On or before October 1, January 1, April 1 and July 1, each school district, charter school and university school for profoundly gifted pupils shall report to the Department, in the form prescribed by the Department, the average daily enrollment of pupils pursuant to this section for the immediately preceding quarter of the school year. If October 1, January 1, April 1 or July 1 falls on a Saturday, Sunday or legal holiday, the report may be submitted before 5 p.m. on the next business day.

2. Except as otherwise provided in ~~[~~subsection~~]~~ ***subsections*** 3 ~~[,]~~ ***and 5,*** the yearly apportionment from the State Education Fund for each school district, charter school and university school for profoundly gifted pupils must be computed by:

(a) Multiplying the adjusted base per pupil funding established for that school district, charter school or university school for profoundly gifted pupils for that school year by the sum of:

(1) The count of pupils enrolled in kindergarten and grades 1 to 12, inclusive, in a public school in the school district, the charter school or the university school for profoundly gifted pupils based on the average daily enrollment of those pupils during the quarter.

(2) The count of pupils not included under subparagraph (1) who are enrolled full-time in a program of distance education provided by that school district, charter school or university school for profoundly gifted pupils based on the average daily enrollment of those pupils during the quarter.

(3) The count of pupils who reside in the county and are enrolled:

(I) In a public school of the school district and are concurrently enrolled part-time in a program of distance education provided by another school district or a charter school, based on the average daily enrollment of those pupils during the quarter.

(II) In a charter school and are concurrently enrolled part-time in a program of distance education provided by the school district, based on the average daily enrollment of those pupils during the quarter.

(4) The count of pupils not included under subparagraph (1), (2) or (3), who are receiving special education pursuant to the provisions of NRS 388.417 to 388.469, inclusive, and 388.5251 to 388.5267, inclusive, based on the average daily enrollment of those

pupils during the quarter and excluding the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to NRS 388.435.

(5) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to NRS 388.435, based on the average daily enrollment of those pupils during the quarter.

(6) The count of children detained in facilities for the detention of children, alternative programs and juvenile forestry camps receiving instruction pursuant to the provisions of NRS 388.550, 388.560 and 388.570, based on the average daily enrollment of those pupils during the quarter.

(7) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 1 of NRS 388A.471, subsection 1 of NRS 388A.474 or subsection 1 of NRS 392.074, based on the average daily enrollment of pupils during the quarter and expressed as a percentage of the total time services are provided to those pupils per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (1).

(8) The count of pupils enrolled in a challenge school based on the average daily enrollment of those pupils calculated in the manner set forth in an agreement entered into pursuant to NRS 388D.330.

(b) Adding to the amount computed in paragraph (a) the amounts appropriated pursuant to paragraphs (a) ~~[, (b)]~~ and ~~[(c)]~~ ***(d)*** of subsection 2 of NRS 387.1214.

3. Except as otherwise provided in subsection 4, if the enrollment of pupils in a school district or a charter school that is located within the school district based on the average daily enrollment of pupils during the quarter of the school year is less than ~~[or equal to 95]~~ ***97*** percent of the enrollment of pupils in the same school district or charter school based on the average daily enrollment of pupils during the same quarter of the immediately preceding school year, ***97 percent of*** the enrollment of pupils during the same quarter of the immediately preceding school year must be used for purposes of making the monthly apportionments from the State Education Fund to that school district or charter school pursuant to NRS 387.124.

4. If the Department determines that a school district, charter school or university school for profoundly gifted pupils deliberately causes a decline in the enrollment of pupils in the school district, charter school or university school for profoundly gifted pupils to receive a higher apportionment pursuant to subsection 3, including, without limitation, by eliminating grades or moving into smaller

facilities, the enrollment number from the current school year must be used for purposes of apportioning money from the State Education Fund to that school district, charter school or university school for profoundly gifted pupils pursuant to NRS 387.124.

5. ***On or before April 1 of each year, a school district, charter school or university school for profoundly gifted pupils may submit a written application to the Superintendent of Public Instruction requesting the monthly apportionments made from the State Education Fund for the upcoming school year be paid to the school district, charter school or university school for profoundly gifted pupils 30 days before the monthly apportionments are otherwise required to be made. The Department shall adopt regulations governing the issuance of an adjustment pursuant to this subsection, including, without limitation, the eligibility to receive an adjustment, the process for applying for such an adjustment and the issuance of such an adjustment. A school district, charter school or university school for profoundly gifted pupils may not receive an adjustment pursuant to this subsection unless the school district, charter school or university school for profoundly gifted pupils:***

(a) Anticipates an increase in enrollment of not less than 15 percent from the immediately preceding school year;

(b) Intends to open a new school or campus of the school; or

(c) Will offer at least one additional grade level in the upcoming school year that was not previously offered, as applicable.

6. The Department shall prescribe a process for reconciling the quarterly reports submitted pursuant to subsection 1 to account for pupils who leave the school district or a public school during the school year.

~~[6.]~~ ***7.*** Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees must be credited with attendance during that period.

~~[7.]~~ ***8.*** Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing the yearly apportionment pursuant to this section. The average daily attendance for such pupils must be reported to the Department of Education.

~~[8.]~~ ***9.*** Pupils who are enrolled in courses which are approved by the Department as meeting the requirements for an adult to earn a high school diploma must not be counted for the purpose of computing the yearly apportionment pursuant to this section.

Sec. 12. NRS 387.1225 is hereby amended to read as follows:

387.1225 1. A hospital or other facility which is licensed by the Health Care Purchasing and Compliance Division of the Nevada Health Authority that provides residential treatment to children and which operates a private school licensed pursuant to chapter 394 of NRS may request reimbursement from the Department for the cost of providing educational services to a child if:

(a) The Department verifies that the child is a patient or resident of the hospital or facility; and

(b) The child attends the private school for more than 7 school days.

2. A hospital or other facility licensed in the District of Columbia or any state or territory of the United States that provides residential treatment and which operates an educational program accredited by a national organization and approved by the Department of Education may request reimbursement from the Department for the cost of providing educational services to a child if:

(a) The Department verifies that the child:

(1) Is a patient or resident of the hospital or facility; and

(2) Is a resident of this State; and

(b) The child:

(1) Is admitted to the hospital or facility on an order from a physician because the necessary treatment required for the child is not available in this State;

(2) Attends the accredited educational program for more than 7 school days;

(3) Is not homeschooled or enrolled in a private school; and

(4) Has been admitted to the medical facility under the order of a physician to receive medically necessary treatment for a medical or mental health condition with which the child has been diagnosed.

3. A hospital or other facility that wishes to receive reimbursement pursuant to subsection 2 shall:

(a) Notify the Department and the school district or charter school in which the child is enrolled upon admitting the child to the accredited educational program; and

(b) Transfer any educational records of the child to the school district or charter school in which the child is enrolled in accordance with any applicable regulations adopted pursuant to subsection 9.

4. Upon receiving a request for reimbursement pursuant to subsection 1 or 2, the Department shall determine the amount of reimbursement to which the hospital or facility is entitled by multiplying the number of days determined pursuant to subsection 6 by the following, as applicable:

(a) The daily rate of the adjusted base per pupil funding for the school district which the child would otherwise attend. The daily rate of the adjusted base per pupil funding for the school district which the child would otherwise attend must be calculated by dividing the adjusted base per pupil funding provided to the school district in which the child is enrolled pursuant to NRS 387.1214 by 180.

(b) The daily rate of the statewide base per pupil funding amount or adjusted base per pupil funding, as applicable, for the charter school which the child would otherwise attend. The daily rate of the statewide base per pupil funding amount or adjusted base per pupil funding, as applicable, for the charter school which the child would otherwise attend must be calculated by dividing the statewide base per pupil funding amount or adjusted base per pupil funding, as applicable, provided to the charter school in which the child is enrolled pursuant to NRS 387.1214 by 180.

5. If the request for reimbursement is made pursuant to subsection 1, the child is a pupil with a disability and the hospital or facility is in compliance with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., NRS 388.417 to 388.5243, inclusive, and any regulations adopted pursuant thereto, the hospital or facility is also entitled to an amount determined by increasing the daily rate determined pursuant to subsection 4 by the ~~[statewide multiplier for the pupil established pursuant to NRS 387.122,]~~ ***weighted funding for a pupil with a disability appropriated pursuant to subparagraph (3) of paragraph (d) of subsection 2 of NRS 387.1214,*** which is received by the school district or charter school where the child was enrolled before being placed in the hospital or facility for the number of days determined pursuant to subsection 6. The Department shall distribute the money withheld from the school district or charter school to the hospital or facility.

6. For the purposes of subsections 4 and 5, the amount of reimbursement to which the hospital or facility is entitled must be calculated on the basis of the number of school days the child is a patient or resident of the hospital or facility and attends the private school or accredited educational program, as applicable, excluding the 7 school days prescribed in paragraph (b) of subsection 1 or subparagraph (2) of paragraph (b) of subsection 2, as applicable.

7. A hospital or other facility is not entitled to reimbursement for days of instruction provided to a child in a year in excess of the minimum number of days of free school required by NRS 388.090.

8. If a hospital or other facility requests reimbursement from the Department for the cost of providing educational services to a pupil with a disability pursuant to subsection 1 or 2, the school

district or charter school in which the child is enrolled shall be deemed to be the local educational agency for the child for the purposes of the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., NRS 388.417 to 388.5243, inclusive, and any regulations adopted pursuant thereto.

9. The Department shall adopt any regulations necessary to carry out the provisions of this section, which may include, without limitation, regulations to:

(a) Prescribe a procedure for the transfer of educational records pursuant to subsection 3;

(b) Carry out or ensure compliance with the requirements of subsections 4 and 5 concerning reimbursement for educational services provided to a pupil with a disability; and

(c) Require the auditing of a hospital or other facility that requests reimbursement pursuant to this section to ensure compliance with any applicable provisions of federal or state law.

10. The provisions of this section must not be construed to authorize reimbursement pursuant to this section of a hospital or facility for the cost of health care services provided to a child.

11. As used in this section:

(a) "Hospital" has the meaning ascribed to it in NRS 449.012.

(b) "Private school" has the meaning ascribed to it in NRS 394.103.

Sec. 13. NRS 387.124 is hereby amended to read as follows:

387.124 Except as otherwise provided in this section and NRS ***387.1223,*** 387.1241, 387.1242 and 387.528:

1. On or before the first day of each month, the Superintendent of Public Instruction shall apportion the State Education Fund among the several county school districts, charter schools and university schools for profoundly gifted pupils in amounts approximating one-twelfth of their respective yearly apportionments less any amount set aside as a reserve or contained in the Education Stabilization Account. Except as otherwise provided in NRS 387.1244, the apportionment to a school district, computed on a yearly basis, equals the amounts established by law for each school year pursuant to paragraphs (a), ~~[(b),]~~ (c) and ~~[(c)]~~ ***(d)*** of subsection 2 of NRS 387.1214 for all pupils who attend a public school operated by the school district located in the county.

2. Except as otherwise provided in NRS 387.1244, in addition to the apportionments made pursuant to this section, if a pupil is enrolled part-time in a program of distance education and part-time in a:

(a) Public school other than a charter school, an apportionment must be made to the school district in which the pupil resides. The school district in which the pupil resides shall allocate a percentage

of the apportionment to the school district or charter school that provides the program of distance education in the amount set forth in the agreement entered into pursuant to NRS 388.854.

(b) Charter school, an apportionment must be made to the charter school in which the pupil is enrolled. The charter school in which the pupil is enrolled shall allocate a percentage of the apportionment to the school district or charter school that provides the program of distance education in the amount set forth in the agreement entered into pursuant to NRS 388.858.

3. The Director of the State Department of Agriculture shall apportion, on or before August 1 of each year, the money designated as the "Nutrition State Match" pursuant to NRS 387.105 to those school districts that participate in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq. The apportionment to a school district must be directly related to the district's reimbursements for the Program as compared with the total amount of reimbursements for all school districts in this State that participate in the Program.

Sec. 14. NRS 387.1241 is hereby amended to read as follows:

387.1241 Except as otherwise provided in NRS 387.124, 387.1242, 387.1244 and 387.528:

1. The apportionment to a charter school, computed on a yearly basis, is equal to the amounts established by law for each school year pursuant to paragraphs ~~[(d)]~~ ***(c)*** and ~~[(e)]~~ ***(d)*** of subsection 2 of NRS 387.1214 for all pupils who attend the charter school, minus the sponsorship fee prescribed by NRS 388A.414 and minus all the funds attributable to pupils who are enrolled in the charter school but are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school.

2. The governing body of a charter school may submit a written request to the Superintendent of Public Instruction to receive, in the first year of operation of the charter school, an apportionment 30 days before the apportionment is required to be made pursuant to subsections 1 and 2 of NRS 387.124. Upon receipt of such a request, the Superintendent of Public Instruction may make the apportionment 30 days before the apportionment is required to be made. A charter school may receive all 12 apportionments in advance in its first year of operation.

Sec. 15. NRS 387.1242 is hereby amended to read as follows:

387.1242 Except as otherwise provided in NRS 387.124, 387.1241, 387.1244 and 387.528:

1. The apportionment to a university school for profoundly gifted pupils, computed on a yearly basis, is equal to the amounts established by law for each school year pursuant to paragraphs ~~[(d)]~~ ***(c)*** and ~~[(e)]~~ ***(d)*** of subsection 2 of NRS 387.1214 for all pupils who attend the university school.

2. The governing body of a university school for profoundly gifted pupils may submit a written request to the Superintendent of Public Instruction to receive, in the first year of operation of the university school, an apportionment 30 days before the apportionment is required to be made pursuant to subsection 1 of NRS 387.124. Upon receipt of such a request, the Superintendent of Public Instruction may make the apportionment 30 days before the apportionment is required to be made. A university school for profoundly gifted pupils may receive all 12 apportionments in advance in its first year of operation.

Sec. 16. NRS 387.12445 is hereby amended to read as follows:

387.12445 1. Except as otherwise provided in subsection 2, each school district shall ensure that all adjusted base per pupil funding received by the school district pursuant to paragraph ~~[(c)]~~ ***(b)*** of subsection 2 of NRS 387.1214 is accounted for separately and, after a deduction for the administrative expenses of the school district in an amount which does not exceed the amount prescribed by the Department by regulation for each school district, be distributed and used as described in this subsection. The adjusted base per pupil funding provided to each school district must:

(a) Be distributed by each school district to its public schools in a manner that ensures each pupil in the school district receives a reasonably equal educational opportunity.

(b) Be used to support the educational needs of all pupils in the school district, including, without limitation, operating each public school in the school district, training and supporting educational personnel and carrying out any program or service established by, or requirement imposed pursuant to, this title for any purpose for which specific funding is not appropriated pursuant to paragraph (a), ~~[(b)]~~ or ~~[(c)]~~ ***(d)*** of subsection 2 of NRS 387.1214 ***.*** ~~[or NRS 387.122.]~~

2. If a school district determines that an additional amount of money is necessary to satisfy requirements for maintenance of effort or any other requirement under federal law for pupils with disabilities enrolled in the school district, the school district may transfer the necessary amount of money from the adjusted base per pupil funding received by the school district for that purpose. ***Each school district that transfers money pursuant to this subsection shall ensure that such money is accounted for separately.***

3. Each school district shall ensure that all weighted funding received by the school district pursuant to paragraph ~~[(c)]~~ ***(d)*** of subsection 2 of NRS 387.1214 is accounted for separately and distributed directly to each school in which the relevant pupils are estimated to be enrolled.

4. Each public school shall account separately for the ~~[local funding for pupils with disabilities received by the public school pursuant to paragraph (b) of subsection 2 of NRS 387.1214, for the]~~ adjusted base per pupil funding received by the public school pursuant to paragraph ~~[(c)]~~ ***(b)*** of subsection 2 of NRS 387.1214 ~~[,]~~ ***and*** for each category of weighted funding received by the public school pursuant to paragraph ~~[(c)]~~ ***(d)*** of subsection 2 of NRS 387.1214 ***.*** ~~[and for money received from the statewide multiplier pursuant to NRS 387.122.]~~ Unless the provisions of subsection 7 ***,*** ~~[or]~~ 8 ***or 9*** impose greater restrictions on the use of weighted funding by a public school, the public school must use the weighted funding received for each relevant pupil:

(a) As a supplement to the adjusted base per pupil funding received for the pupil; and

(b) Solely for the purpose of providing such additional educational programs, services or support as are necessary to ensure the pupil receives a reasonably equal educational opportunity.

5. Except as otherwise provided in subsection 6, the separate accounting required by ~~[subsection]~~ ***subsections 2 and*** 4 for pupils with disabilities ~~[and gifted and talented pupils]~~ must include:

(a) The amount of money provided to the public school for special education; and

(b) The cost of:

(1) Instruction provided by licensed special education teachers and supporting staff;

(2) Related services, including, without limitation, services provided by psychologists, therapists and health-related personnel;

(3) Transportation of the pupils with disabilities ~~[and gifted and talented pupils]~~ to and from school;

(4) The direct supervision of educational and supporting programs; and

(5) The supplies and equipment needed for providing special education.

6. Money received from federal sources must be accounted for separately and excluded from the accounting required pursuant to subsection 5.

7. A public school that receives weighted funding for one or more at-risk pupils must use that weighted funding only to provide services for at-risk pupils and, if one or more at-risk pupils for whom the school received weighted funding in the at-risk pupil category also belong to one or more other categories of pupils who receive weighted funding, the additional services for each such at-risk pupil which are appropriate for each category to which the at-risk pupil belongs.

8. ***A public school that receives weighted funding for one or more pupils with disabilities must use that weighted funding only to provide the services, programs, supplies and equipment described in paragraph (b) of subsection 5 for pupils with disabilities and, if one or more pupils with disabilities for whom the school received weighted funding in the pupils with disabilities category also belong to one or more categories of pupils who receive weighted funding, the additional services for each such pupil with a disability which are appropriate for each category to which the pupil with a disability belongs pursuant to his or her individualized education program.***

9. A public school that receives weighted funding for one or more pupils who are English learners must use that weighted funding only to provide services for pupils who are English learners and, if one or more English learners for whom the school received weighted funding in the English learner category also belong to one or more other categories of pupils who receive weighted funding, the additional services for each such English learner which are appropriate for each category to which the English learner belongs.

~~[9.]~~ ***10.*** The Department shall adopt regulations prescribing the maximum amount of money that each school district may deduct for its administrative expenses from the adjusted base per pupil funding received by the school district. When adopting such regulations, the Department may express the maximum amount of money that may be deducted as a percentage of the adjusted base per pupil funding received by the school district.

~~[10.]~~ ***11.*** As used in this section:

(a) "Services for at-risk pupils" means any one or more of the following services:

(1) A prekindergarten program provided free of charge.

(2) A summer academy or other instruction for pupils provided free of charge at times during the year when school is not in session.

(3) Additional instruction or other learning opportunities provided free of charge at times of day when school is not in session.

(4) Professional development for teachers and other educational personnel concerning instructional practices and strategies that have proven to be an effective means to increase pupil achievement in populations of at-risk pupils.

(5) In a school district located in a county whose population is less than 700,000, incentives for hiring and retaining teachers and other licensed educational personnel who provide services for at-risk pupils.

(6) Employment of paraprofessionals, other educational personnel and other persons who provide services for at-risk pupils.

(7) A reading skills center.

(8) Integrated student supports, wrap-around services and evidence-based programs designed to meet the needs of at-risk pupils.

(9) Any other service or program that has a demonstrated record of success for similarly situated pupils in comparable school districts and has been reviewed and approved as a service for at-risk pupils by the Superintendent of Public Instruction.

(b) "Services for pupils who are English learners" means any one or more of the following services:

(1) A prekindergarten program provided free of charge.

(2) A reading skills center.

(3) Professional development for teachers and other licensed educational personnel regarding effective instructional practices and strategies for pupils who are English learners.

(4) In a school district located in a county whose population is less than 700,000, incentives for hiring and retaining teachers and other licensed educational personnel who provide services for pupils who are English learners.

(5) Engagement and involvement with parents and families of pupils who are English learners, including, without limitation, increasing effective, culturally appropriate communication with and outreach to parents and families to support the academic achievement of those pupils.

(6) A summer academy or, for those schools that do not operate on a traditional school calendar, an intersession academy provided free of charge, including, without limitation, the provision of transportation to attend the summer academy or intersession academy.

(7) An extended school day.

(8) Any other service or program that has a demonstrated record of success for similarly situated pupils in comparable school districts and has been reviewed and approved as a service for pupils who are English learners by the Superintendent of Public Instruction.

(c) "Services for pupils with disabilities" means any one or more of the services, programs, supplies and equipment described in paragraph (b) of subsection 5.

Sec. 17. NRS 387.12455 is hereby amended to read as follows:

387.12455 1. ~~[Except as otherwise provided in subsection 5, for]~~ ***For*** the purpose of establishing budgetary estimates for expenditures and revenues for the State Education Fund as

prescribed by the State Budget Act, the Governor shall ~~[, to the extent practicable,]~~ ensure that an amount of money in the State General Fund is reserved in the proposed executive budget for transfer to the State Education Fund which is sufficient to fully fund:

(a) If the Economic Forum projects that the revenue collected by the State for general, unrestricted uses will increase by a rate that is greater than the combined rate of inflation and the growth of enrollment in the public schools in this State in the immediately preceding biennium, an amount of money in the State General Fund for transfer to the State Education Fund for the subsequent biennium which is not less than the amount of money transferred to the State Education Fund from the State General Fund for the immediately preceding biennium increased by an amount not less than the rate of increase for the revenue collected by the State as projected by the Economic Forum.

(b) If the Economic Forum projects that the revenue collected by the State for general, unrestricted uses will increase by a rate that is not greater than the combined rate of inflation and the growth of enrollment in the public schools in this State in the immediately preceding biennium, an amount of money in the State General Fund for transfer to the State Education Fund for the subsequent biennium which is not less than the amount of money transferred to the State Education Fund from the State General Fund for the immediately preceding biennium increased by an amount not less than the combined rate of inflation and the growth of enrollment in the public schools in this State.

(c) If the Economic Forum projects that the revenue collected by the State for general, unrestricted uses will decrease, an amount of money in the State General Fund for transfer to the State Education Fund for the subsequent biennium which is not less than the amount of money transferred to the State Education Fund from the State General Fund for the immediately preceding biennium decreased by an amount not greater than the rate of decrease for the revenue collected by the State as projected by the Economic Forum.

2. ~~[Except as otherwise provided in subsection 5, as]~~ ***As*** part of the proposed executive budget, the Governor shall, to the extent practicable, include recommendations for:

(a) The statewide base per pupil funding amount, which must be equal to the statewide base per pupil funding amount for the immediately preceding biennium increased by an amount not less than the combined rate of inflation and the growth of enrollment in the public schools in this State unless the amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the immediately preceding

biennium, in which event the Governor must recommend a proportional reduction to both the statewide base per pupil funding amount and the multiplier for each category of pupils pursuant to paragraph (b);

(b) The multiplier for each category of pupils, which must not be less than the multiplier for the immediately preceding biennium unless:

(1) The amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the immediately preceding biennium, in which event the Governor must recommend a proportional reduction to both the statewide base per pupil funding amount pursuant to paragraph (a) and the multiplier for each category of pupils; 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 recommending the statewide base per pupil funding amount pursuant to paragraph (a), is insufficient to fund the multiplier for each category of pupils, in which event the Governor must recommend the remaining money in the State Education Fund, excluding the Education Stabilization Account, 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; and

(c) The amount of money to appropriate to the Department to make awards to school districts pursuant to NRS 387.900.

3. When determining the amount of money to reserve for transfer from the State General Fund to the State Education Fund pursuant to subsection 1, the Governor shall consider the recommendations of the Commission, as revised by the Joint Interim Standing Committee on Education, if applicable, for an optimal level of funding for education and may reserve an additional amount of money for transfer to the State Education Fund that the Governor determines to be sufficient to fund any recommendation or any portion of a recommendation that the Governor includes in the proposed executive budget.

4. As part of the proposed executive budget, the Governor may recommend to the Legislature a revision to any appropriation made by law pursuant to NRS 387.1214, including, without limitation, the statewide base per pupil funding amount, the adjusted base per pupil funding for any school district, the multiplier for weighted funding for any category of pupils or the creation or elimination of a category of pupils to receive additional weighted funding. The Governor may recommend additional funding for any recommendation made pursuant to this subsection.

5. ~~[If the Governor determines that it would be impracticable to prepare the proposed executive budget as described in subsection 1 or 2, the Governor may instead include in the proposed executive budget a recommendation for such funding for the public schools in this State as he or she determines to be appropriate. If the Governor includes in the proposed executive budget recommendations pursuant to this subsection, the recommendations must be accompanied by such recommendations for legislation as the Governor determines to be appropriate to improve the method by which funding for the public schools in this State is determined.~~

~~6.]~~ As used in this section, "rate of inflation" means the average percentage of increase or decrease in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the United States Department of Labor for the immediately preceding 3 calendar years or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Governor.

Sec. 18. 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.

(f) Work with the Department, any relevant boards and committees, school districts and charter schools to develop and recommend an analysis of the return on investment of using the funding provided by the Pupil-Centered Funding Plan and allocated by local educational agencies to obtain certain pupil outcomes.

(g) Review and consider the implications on funding of strategies to improve the accessibility and ensure the equitability of existing and new programs for pupils within and between public schools, including, without limitation, open zoning.

(h) In each even-numbered year, review and propose any recommended revisions to the method of calculating the percentage of pupils determined to be most in need of additional services and assistance to graduate pursuant to subsection 1 of NRS 387.1211. In conducting such a review, the Commission shall select a third party to verify that any calculation or algorithm used to make such determination accurately identifies the percentage of at-risk pupils enrolled in public schools in this State and determine whether any more accurate or effective method of calculating the percentage of such pupils exists. A third party selected by the Commission pursuant to this paragraph shall, on or before September 1 of each even-numbered year, submit a report of its findings concerning methods of calculating the percentage of at-risk pupils enrolled in public schools in this State, and any recommendations for alternative methods, to the Department, the State Board and the Commission.

(i) Review the process and evaluate alternatives for adjusting funding allocations on weighted counts of categories of pupils identified in paragraph ~~[(e)]~~ ***(d)*** of subsection 2 of NRS 387.1214 to determine the most effective method for ensuring funding that is stable and equitable. The review must include, without limitation:

(1) An evaluation of quarterly, annual and multi-year methods for averaging counts of pupil enrollment;

(2) An analysis of the impact of such averaging methods on funding stability, program implementation and equity across school

districts, charter schools and university schools for profoundly gifted pupils;

(3) Consolidation of stakeholder feedback regarding funding predictability and administrative efficiency; and

(4) Exploration of alternative approaches, including, without limitation, the use of a 3-year average or high count for 3 years, to balance accuracy and stability in funding streams.

(j) Review and recommend whether other pupils, in addition to those identified in the percentage of at-risk pupils determined to be the most in need of additional services and assistance to graduate pursuant to subsection 1 of NRS 387.1211, should also be identified as at-risk pupils for such purposes.

(k) ***If the statewide base per pupil funding amount for a fiscal year is at least 80 percent of the national average of the base per pupil funding amount, as reported by the National Center on Education Statistics, recommend a methodology to provide funding for pupils who belong to more than one category identified in paragraph (d) of subsection 2 of NRS 387.1214 that is commensurate with membership in each such category for implementation beginning with the fiscal year immediately following the fiscal year in which the statewide base per pupil funding amount is at least 90 percent of the national average amount of base per pupil funding, as reported by the National Center on Education Statistics.***

(l) At least once each year, meet with the Commission on Innovation and Excellence in Education created by NRS 385.910 to discuss and review progress on any studies, research and recommendations developed by each group that concern shared domains of focus.

2. Each school district and each charter school shall submit an annual report to the Commission that identifies how funding from the Pupil-Centered Funding Plan is being allocated to improve the academic performance and progress of pupils. The Commission shall review the reports submitted pursuant to this subsection and transmit the reports, along with any commentary or recommendations relating to the reports, to the Governor, the Director of the Legislative Counsel Bureau, the Joint Interim Standing Committee on Education and the Interim Finance Committee.

3. After receiving the reports submitted to the Commission pursuant to subsection 2, the Governor may, with the approval of the Legislature or Interim Finance Committee if the Legislature is not in session, direct a school district or charter school to take such remedial actions as the Governor determines to be necessary and

appropriate to address any deficiency identified in the reports submitted pursuant to subsection 2.

4. The Commission shall:

(a) Present any recommendations pursuant to paragraphs (a) to (j), inclusive, of subsection 1 at a meeting of the Joint Interim Standing Committee on Education for consideration and recommendations by the Committee; and

(b) After consideration of the recommendations of the Joint Interim Standing Committee on Education, transmit the recommendations or a revised version of the recommendations to the Governor and the Director of the Legislative Counsel Bureau for distribution to the Legislature.

Sec. 19. NRS 388.429 is hereby amended to read as follows:

388.429 1. The Legislature declares that funding provided for each school year establishes financial resources sufficient to ensure a reasonably equal educational opportunity to pupils with disabilities residing in Nevada through the use of ~~[local]~~ ***weighted*** funding for pupils with disabilities prescribed by ***subparagraph (3) of*** paragraph ~~[(b)]~~ ***(d)*** of subsection 2 of NRS 387.1214 ***.*** ~~[and the statewide multiplier established pursuant to NRS 387.122.]~~

2. Subject to the provisions of NRS 388.417 to 388.469, inclusive, the board of trustees of each school district shall make such special provisions as may be necessary for the education of pupils with disabilities.

3. The board of trustees of a school district in a county whose population is less than 700,000 may provide early intervening services. Such services must be provided in accordance with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq., and the regulations adopted pursuant thereto.

4. The board of trustees of a school district shall establish uniform criteria governing eligibility for instruction under the special education programs provided for by NRS 388.417 to 388.469, inclusive. The criteria must prohibit the placement of a pupil in a program for pupils with disabilities solely because the pupil is a disciplinary problem in school. The criteria are subject to such standards as may be prescribed by the State Board.

Sec. 20. NRS 388.5243 is hereby amended to read as follows:

388.5243 1. The ***Contingency*** Account for ~~[State]~~ Special Education Services is hereby created in the State General Fund to be administered by the Superintendent of Public Instruction. The Superintendent of Public Instruction may accept gifts and grants of money from any source for deposit in the Account. Any money from gifts and grants may be expended in accordance with the terms and conditions of the gift or grant, or in accordance with this section.

2. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

3. The money in the Account may only be used for public schools and public education, as authorized by the Legislature . ~~[, including, without limitation, the distribution of funding appropriated by the Legislature for a statewide multiplier for pupils with disabilities pursuant to NRS 387.122.]~~

4. The State Board shall adopt regulations for the application, approval and disbursement of money commencing with the 2016-2017 school year to reimburse school districts and charter schools for extraordinary program expenses and related services which:

(a) Are not ordinarily present in the typical special education service and delivery system at a public school;

(b) Are associated with the implementation of the individualized education program of a pupil with significant disabilities, as defined by the State Board, to provide an appropriate education in the least restrictive environment; and

(c) The costs of which exceed the total funding available to the school district or charter school for the pupil.

Sec. 21. 1. There is hereby appropriated from the State General Fund to the Department of Education for the purpose of making allocations of money to school districts, charter schools and university schools for profoundly gifted pupils to accomplish the intent of the Legislature in making the transition to the use of weighted funding for pupils with disabilities, as expressed in subsections 5 and 6 of NRS 387.121, as amended by section 6 of this act, the following sums:

For the Fiscal Year 2027-2028 ..... $75,200,000

For the Fiscal Year 2028-2029 ..... $75,200,000

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 15, 2028, and September 21, 2029, 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 15, 2028, and September 21, 2029, respectively.

3. The Department of Education shall adopt regulations establishing the method and guidelines for allocating the money appropriated by subsection 1.

Sec. 22. NRS 387.122, 388.041 and 388A.3936 are hereby repealed.

Sec. 23. 1. This section and section 21 of this act become effective upon passage and approval.

2. Sections 1 to 20, inclusive, and 22 of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On July 1, 2027, for all other purposes.

TEXT OF REPEALED SECTIONS

387.122 Establishment of statewide multiplier for pupils with disabilities.

1. In addition to the support provided from the State Education Fund pursuant to NRS 387.1214, the support provided for the public schools of this State must include a statewide multiplier for pupils with disabilities or an amount determined necessary to satisfy any applicable requirement for maintenance of effort under federal law. Except as otherwise provided in this section, the funding provided to each school district and charter school through the statewide multiplier for pupils with disabilities or amount determined necessary to satisfy any applicable requirement for maintenance of effort under federal law is limited to the actual number of pupils with disabilities enrolled in the school district or charter school, not to exceed 13 percent of total pupil enrollment for the school district or charter school.

2. Except as otherwise provided in this subsection, if a school district or charter school has reported an enrollment of pupils with disabilities equal to more than 13 percent of total pupil enrollment, the school district or charter school must receive, for each such additional pupil, an amount of money equal to one-half of the statewide multiplier then in effect for pupils with disabilities or a reasonably similar level of funding. An apportionment made to a school district or charter school pursuant to this subsection is subject to change from year to year in accordance with the number of pupils with disabilities enrolled in the school district or charter school. If the money available for apportionment pursuant to this subsection is insufficient to make the apportionment otherwise required by this subsection, the Superintendent of Public Instruction shall proportionately reduce the amount so apportioned to each school

district and charter school. The Department shall account separately for any money apportioned pursuant to this subsection.

388.041 Department to establish program to award grants of money for purpose of providing transportation to pupils attending school outside zone of attendance; required notification; use of grant; regulations.

1. The Department shall, to the extent that money is available for this purpose, establish a program to award grants of money to organizations or the parent or legal guardian of a pupil for the purpose of providing the pupil with transportation to attend a public school located outside the zone of attendance that the pupil is otherwise required to attend pursuant to paragraph (e) of subsection 2 of NRS 388.040.

2. A pupil who uses transportation provided by the recipient of a grant of money awarded pursuant to this section shall notify the Department if the pupil transfers to another school.

3. An applicant who receives a grant of money pursuant to this section shall not use the grant for any purpose other than providing eligible pupils with transportation to and from a public school located outside the zone of attendance that the pupil is otherwise required to attend.

4. The Department shall adopt regulations:

(a) Prescribing the requirements to apply for and receive a grant through the program established by this section.

(b) Establishing the eligibility criteria for pupils for whom transportation may be provided through a grant, including, without limitation, that:

(1) The pupil lives in the zone of attendance for a public school that received, in the immediately preceding school year, one of the two lowest ratings of performance pursuant to the statewide system of accountability for public schools; and

(2) The pupil attends a school district which has elected not to provide transportation to pupils who attend a public school outside the zone of attendance that the pupil is otherwise required to attend pursuant to paragraph (e) of subsection 2 of NRS 388.040 and no other viable form of transportation is available to the pupil.

(c) Necessary to carry out the provisions of this section.

388A.3936 Authorization to award money for transportation of pupils; transportation plan required; criteria for approval of plan.

1. The State Public Charter School Authority may award money to a charter school for the transportation of pupils to the extent money has been appropriated for that purpose.

2. A charter school must not receive money pursuant to subsection 1 unless the State Public Charter School Authority has approved a transportation plan for the charter school.

3. Each charter school that wishes to receive money pursuant to subsection 1 must submit a transportation plan to the State Public Charter School Authority. The State Public Charter School Authority may approve the transportation plan of a charter school if it determines:

(a) The transportation plan is comprehensive and likely to be successfully implemented;

(b) The transportation plan will materially improve access to education in the region served by the transportation plan;

(c) The transportation plan demonstrates that the charter school will be able to comply with statutory and regulatory transportation requirements, including, without limitation, the certification of bus drivers and vehicle safety;

(d) The transportation plan is financially viable;

(e) The transportation plan would not cost more, on a per pupil basis, than the average cost for transportation for other public schools operating in the school district in which the charter school is located; and

(f) The academic, financial and organizational performance of the charter school indicate that the transportation plan is in the interest of pupils who will be served by the transportation plan.

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