

MOCK-UP

PROPOSED AMENDMENT 5815 TO
ASSEMBLY BILL NO. 309

PREPARED FOR ASSEMBLYMAN FRIERSON
MAY 14, 2019

PREPARED BY THE LEGAL DIVISION

**NOTE: THIS DOCUMENT SHOWS PROPOSED AMENDMENTS IN
CONCEPTUAL FORM. THE LANGUAGE AND ITS PLACEMENT IN THE
OFFICIAL AMENDMENT MAY DIFFER.**

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of **green bold underlining** is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

Legislative Counsel's Digest:

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

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

Existing law requires the board of trustees of each school district to establish a program of performance pay and enhanced compensation for the recruitment and retention of licensed teachers and administrators. Existing law authorizes such a

1
2
3

1 program to include professional development. (NRS 391A.450) Section 3 of this bill
2 requires a school district that negotiates with an employee organization to increase the
3 salaries of teachers and classified employees in a fiscal year to reserve for that fiscal
4 year an amount of money sufficient to provide the agreed-upon increase in the salaries
5 of licensed teachers and classified employees prescribed in such a program. Section 16
6 of this bill clarifies the manner in which the provisions of this bill apply to any existing
7 contracts.

8 Existing law authorizes the board of county commissioners of certain counties to
9 impose a sales and use tax for deposit in the county school district's fund for capital
10 projects. (NRS 377C.100) Section 5 of this bill authorizes the board of county
11 commissioners of each county to impose, by two-thirds vote of the board or by a
12 majority vote of the people at a primary, general or special election, a new sales and
13 use tax at the rate of one-quarter of 1 percent of the gross receipts of retailers. Section
14 6 of this bill requires the proceeds of the tax to be deposited with the county treasurer.
15 Section 8 of this bill authorizes the proceeds of the tax to be used to pay the cost of: (1)
16 one or more programs of early childhood education; (2) one or more programs of
17 adult education; (3) one or more programs to reduce truancy; (4) one or more
18 programs to reduce homelessness; (5) certain matters relating to affordable housing;
19 and (6) incentives for the recruitment or retention of licensed teachers for high-
20 vacancy schools. Sections 5-12 of this bill require the administration of any new sales
21 and use tax in the same manner as the sales and use tax imposed by the Local School
22 Support Tax Law, as set forth in chapter 374 of NRS.

23 Section 13 of this bill makes an appropriation for a block grant to each school
24 district and charter school for certain purposes.

25 Existing law requires the Department of Education to determine the amount of
26 money that each school district, charter school and university school for profoundly
27 gifted pupils is required to expend during each fiscal year on textbooks, instructional
28 supplies, instructional software and instructional hardware. (NRS 387.206) Existing
29 law also authorizes the board of trustees of a school district, the governing body of a
30 charter school or the governing body of a university school for profoundly gifted
31 pupils that is experiencing an economic hardship to submit a request to the
32 Department for a waiver of all or a portion of the minimum expenditure
33 requirements. (NRS 387.2065) Section 14 of this bill provides a temporary waiver for
34 the 2019-2021 biennium from these requirements without requiring the school
35 districts, charter schools or university schools for profoundly gifted pupils to submit a
36 request for such a waiver.

37 Existing law authorizes the Legislative Commission to direct the Legislative
38 Auditor to make any special audit or investigation that in its judgment is proper and
39 necessary to assist the Legislature in the proper discharge of its duties. (NRS
40 218G.120) Section 15 of this bill authorizes the Legislative Commission to request an
41 allocation from the Contingency Account in the State General Fund to pay the costs of
42 the Legislative Auditor to conduct a special audit or investigation of the school
43 districts of this State.

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

44 **Section 1.** NRS 387.121 is hereby amended to read as follows:
45 387.121 1. The Legislature declares that the proper objective of
46 state financial aid to public education is to ensure each Nevada child a
47 reasonably equal educational opportunity. Recognizing wide local
48 variations in wealth and costs per pupil, this State should supplement local

1 financial ability to whatever extent necessary in each school district to
2 provide programs of instruction in both compulsory and elective subjects
3 that offer full opportunity for every Nevada child to receive the benefit of
4 the purposes for which public schools are maintained. Therefore, the
5 quintessence of the State’s financial obligation for such programs can be
6 expressed in a formula partially on a per pupil basis and partially on a per
7 program basis as: State financial aid to school districts equals the
8 difference between school district basic support guarantee and local
9 available funds produced by mandatory taxes minus all the local funds
10 attributable to pupils who reside in the county but attend a charter school
11 or a university school for profoundly gifted pupils. This formula is
12 designated the Nevada Plan.

13 2. It is the intent of the Legislature, commencing with Fiscal Year
14 2016-2017, to provide additional resources to the Nevada Plan expressed
15 as a multiplier of the basic support guarantee to meet the unique needs of
16 certain categories of pupils, including, without limitation, pupils with
17 disabilities, pupils who are English learners, pupils who are at risk and
18 gifted and talented pupils. As used in this subsection, “pupils who are at
19 risk” means pupils who are eligible for free or reduced-price lunch
20 pursuant to 42 U.S.C. §§ 1751 et seq., or an alternative measure prescribed
21 by the State Board of Education.

22 3. *It is the intent of the Legislature, commencing with Fiscal Year*
23 *2019-2020, to promote transparency and accountability in state funding*
24 *for public education by accounting for all state financial aid to public*
25 *schools ~~and~~ and projected local financial aid to public schools, both on a*
26 *per pupil basis and on a per program basis, ~~in the State Distributive~~*
27 *School Account in the State General Fund, ~~and~~ and expressing the total per*
28 *pupil amount of all such support.*

29 ~~Sec. 2. NRS 387.122 is hereby amended to read as follows:~~
30 ~~387.122 1. For making the apportionments of the State Distributive~~
31 ~~School Account in the State General Fund required by the provisions of~~
32 ~~this title, the basic support guarantee per pupil for each school district is~~
33 ~~established by law for each school year. The formula for calculating the~~
34 ~~basic support guarantee may be expressed as an estimated weighted~~
35 ~~average per pupil, based on the total expenditures for public education in~~
36 ~~the immediately preceding even-numbered fiscal year, plus any legislative~~
37 ~~appropriations for the immediately succeeding biennium, minus those local~~
38 ~~funds not guaranteed by the State pursuant to NRS 387.163 [.] and any~~
39 ~~money that the Legislature directs to be apportioned from the State~~
40 ~~Distributive School Account for a specific purpose or to support a~~
41 ~~specific program.~~

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

45 ~~(a) Factors relating to wealth in the school district;~~

1 ~~—(b) Salary costs;~~
2 ~~—(c) Transportation; and~~
3 ~~—(d) Any other factor determined by the Superintendent of Public~~
4 ~~Instruction after consultation with the school districts and the State Public~~
5 ~~Charter School Authority;~~
6 ~~—3. The basic support guarantee per pupil must include a statewide~~
7 ~~multiplier for pupils with disabilities. Except as otherwise provided in this~~
8 ~~section, the funding provided to each school district and charter school~~
9 ~~through the multiplier for pupils with disabilities is limited to the actual~~
10 ~~number of pupils with disabilities enrolled in the school district or charter~~
11 ~~school, not to exceed 13 percent of total pupil enrollment for the school~~
12 ~~district or charter school.~~
13 ~~—4. Except as otherwise provided in this subsection, if a school district~~
14 ~~or charter school has reported an enrollment of pupils with disabilities~~
15 ~~equal to more than 13 percent of total pupil enrollment, the school district~~
16 ~~or charter school must receive, for each such additional pupil, an amount~~
17 ~~of money equal to one half of the statewide multiplier then in effect for~~
18 ~~pupils with disabilities. An apportionment made to a school district or~~
19 ~~charter school pursuant to this subsection is subject to change from year to~~
20 ~~year in accordance with the number of pupils with disabilities enrolled in~~
21 ~~the school district or charter school. If the money available for~~
22 ~~apportionment pursuant to this subsection is insufficient to~~
23 ~~make the apportionment otherwise required by this subsection, the~~
24 ~~Superintendent of Public Instruction shall proportionately reduce the~~
25 ~~amount so apportioned to each school district and charter school. The~~
26 ~~Department shall account separately for any money apportioned pursuant~~
27 ~~to this subsection.~~
28 ~~—5. Not later than July 1 of each even-numbered year, the~~
29 ~~Superintendent of Public Instruction shall review and, if necessary, revise~~
30 ~~the factors used for the equity allocation model adopted for the previous~~
31 ~~biennium and present the review and any revisions at a meeting of the~~
32 ~~Legislative Committee on Education for consideration and~~
33 ~~recommendations by the Committee. After the meeting, the Superintendent~~
34 ~~of Public Instruction shall consider any recommendations of the~~
35 ~~Legislative Committee on Education, determine whether to include those~~
36 ~~recommendations in the equity allocation model and adopt the model. The~~
37 ~~Superintendent of Public Instruction shall submit the equity allocation~~
38 ~~model to the:~~
39 ~~—(a) Governor for inclusion in the proposed executive budget;~~
40 ~~—(b) Director of the Legislative Counsel Bureau for transmittal to the~~
41 ~~next regular session of the Legislature.~~
42 ~~—6. The Department shall make available updated information~~
43 ~~regarding the equity allocation model on the Internet website maintained~~
44 ~~by the Department.] **(Deleted by amendment.)**~~

1 Sec. 3. Chapter 391A of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. If a school district negotiates with an employee organization
4 pursuant to NRS 288.150 to increase the salary of licensed teachers and
5 classified employees for a fiscal year, the board of trustees of the school
6 district shall reserve for that fiscal year an amount of money sufficient,
7 when combined with any appropriation for that purpose and any money
8 remaining in the account established pursuant to subsection 2, to carry
9 out each such increase in the salary of a licensed teacher or classified
10 employee.

11 2. Except as otherwise provided in subsection 3, the money reserved
12 by a board of trustees pursuant to subsection 1 and any money provided
13 by appropriation to increase the salary of licensed teachers or classified
14 employees must be:

15 (a) Accounted for separately by the school district.

16 (b) Used only to pay an increase in salaries in accordance with
17 subsection 1.

18 3. Any money reserved pursuant to subsection 1 for a fiscal year
19 that remains in the account established pursuant to subsection 2 at the
20 end of that fiscal year does not revert to the general fund of the school
21 district, but must be carried forward to the next fiscal year and used only
22 for the purpose of paying an increase in salaries negotiated between a
23 school district and an employee organization pursuant to NRS 288.150
24 in subsequent fiscal years.

25 4. Any money reserved pursuant to subsection 1 must not be
26 subtracted from the operating expenses of the school district for purposes
27 of determining the budget of the school district for any other fiscal year.

28 Sec. 4. Title 32 of NRS is hereby amended by adding thereto a
29 new chapter to consist of the provisions set forth as sections 5 to 8,
30 inclusive, of this act.

31 Sec. 5. 1. The board of county commissioners of each county may
32 enact an ordinance imposing a tax at the rate of one-quarter of 1 percent
33 of the gross receipts of any retailer from the sale of all tangible personal
34 property sold at retail, or stored, used or otherwise consumed in the
35 county. An ordinance adopted pursuant to this section must be approved
36 by:

37 (a) A two-thirds majority of the members of the board of county
38 commissioners; or

39 (b) A majority of the registered voters of the county voting on the
40 question at a primary, general or special election.

41 2. Any tax imposed pursuant to this section applies throughout the
42 county, including incorporated cities in the county.

43 3. An ordinance enacted pursuant to this section must include
44 provisions in substance as follows:

1 (a) Provisions substantially identical to those contained in chapter
2 374 of NRS, insofar as applicable.

3 (b) A provision that all amendments to chapter 374 of NRS after the
4 date of enactment of the ordinance, not inconsistent with this chapter,
5 automatically become a part of the ordinance.

6 (c) A provision that the county shall contract before the effective date
7 of the ordinance with the Department to perform all functions incident to
8 the administration or operation of the tax in the county.

9 (d) A provision that a purchaser is entitled to a refund, in accordance
10 with the provisions of NRS 374.635 to 374.720, inclusive, of the amount
11 of the tax required to be paid that is attributable to the tax imposed upon
12 the sale of, and the storage, use or other consumption in the county of,
13 tangible personal property used for the performance of a written
14 contract:

15 (1) Entered into on or before the effective date of the tax; or
16 (2) For the construction of an improvement to real property for
17 which a binding bid was submitted before the effective date of the tax if
18 the bid was afterward accepted,

19 ↳ if, under the terms of the contract or bid, the contract price or bid
20 amount cannot be adjusted to reflect the imposition of the tax.

21 (e) A provision that specifies the date on which the tax must first be
22 imposed, which must be the first day of the first calendar quarter that
23 begins at least 120 days after the effective date of the ordinance.

24 Sec. 6. 1. All fees, taxes, interest and penalties imposed and all
25 amounts of tax required to be paid pursuant to this chapter must be paid
26 to the Department in the form of remittances payable to the Department.

27 2. The Department shall deposit the payments in the State Treasury
28 to the credit of the Sales and Use Tax Account in the State General
29 Fund.

30 3. The State Controller, acting upon the collection data furnished by
31 the Department, shall monthly:

32 (a) Transfer from the Sales and Use Tax Account 1.75 percent of all
33 fees, taxes, interest and penalties collected pursuant to this chapter
34 during the preceding month to the appropriate account in the State
35 General Fund as compensation to the State for the cost of collecting the
36 tax.

37 (b) Determine for each county an amount of money equal to any
38 fees, taxes, interest and penalties collected in or for that county pursuant
39 to this chapter during the preceding month, less the amount transferred
40 to the State General Fund pursuant to paragraph (a).

41 (c) Transfer the amount determined for each county to the
42 Intergovernmental Fund and remit the money to the county treasurer to
43 be held and expended for the purposes identified in section 11 of this act.

44 Sec. 7. The Department may redistribute any proceeds from any
45 tax, interest or penalty collected pursuant to this chapter which is

1 determined to be improperly distributed, but no such redistribution may
2 be made as to amounts originally distributed more than 6 months before
3 the date on which the Department obtains knowledge of the improper
4 distribution.

5 Sec. 8. 1. The money received from any tax imposed pursuant to
6 section 8 of this act and any applicable penalty or interest must be
7 retained by the county, or remitted to a city or school district in the
8 county, and must only be used to pay the cost of:

9 (a) One or more programs of early childhood education operated by
10 the county school district or any public school in the county school
11 district;

12 (b) One or more programs of adult education operated by the county
13 school district or any public school in the county school district;

14 (c) One or more programs to reduce truancy;

15 (d) One or more programs to reduce homelessness;

16 (e) The development or redevelopment of affordable housing or
17 ensuring the availability or affordability of housing; and

18 (f) Incentives for the recruitment or retention of licensed teachers for
19 high-vacancy schools in the county school district.

20 2. If a public school ceases to be a high-vacancy school, the county
21 school district in which the public school is located:

22 (a) May continue to use the money received by the county school
23 district from any tax imposed pursuant to section 8 of this act to pay
24 incentives to licensed teachers at the public school pursuant to
25 paragraph (c) of subsection 1 for the remainder of the school year in
26 which the public school ceased to be a high-vacancy school; and

27 (b) Shall not use the money received by the county school district
28 from any tax imposed pursuant to section 8 of this act to pay incentives
29 to licensed teachers at the public school pursuant to paragraph (c) of
30 subsection 1 for any subsequent school year unless the public school
31 newly qualifies as a high-vacancy school.

32 3. A county that receives money from a tax imposed pursuant to
33 section 8 of this act, and any city or school district to which the money is
34 remitted, must account separately for all such money. On or before
35 September 1 of each year, each such county, city or school district shall
36 prepare a report detailing how all money received from a tax imposed
37 pursuant to section 8 of this act was spent during the immediately
38 preceding fiscal year and submit the report to the Director of the
39 Legislative Counsel Bureau for transmission to the next session of the
40 Legislature, if the report is submitted in an even-numbered year, or to
41 the Legislative Commission, if the report is submitted in an odd-
42 numbered year.

43 4. As used in this section, "high-vacancy school" means a public
44 school, other than a charter school, in which 10 percent or more of the
45 classroom teacher positions at the public school are:

- 1 (a) Vacant for 20 consecutive days or more; or
- 2 (b) Filled by a substitute teacher for 20 consecutive days or more in
- 3 the same classroom or assignment.

4 **Sec. 9. NRS 360.2937 is hereby amended to read as follows:**

5 360.2937 1. Except as otherwise provided in this section, NRS
6 360.320 or any other specific statute, and notwithstanding the provisions of
7 NRS 360.2935, interest must be paid upon an overpayment of any tax
8 provided for in chapter 362, 363A, 363B, 363C, 369, 370, 372, 372B, 374,
9 377, 377A or 377C of NRS, or sections 8 to 11, inclusive, of this act, any
10 of the taxes provided for in NRS 372A.290, any fee provided for in NRS
11 444A.090 or 482.313, or any assessment provided for in NRS 585.497, at
12 the rate of 0.25 percent per month from the last day of the calendar month
13 following the period for which the overpayment was made.

14 2. No refund or credit may be made of any interest imposed on the
15 person making the overpayment with respect to the amount being refunded
16 or credited.

17 3. The interest must be paid:

18 (a) In the case of a refund, to the last day of the calendar month
19 following the date upon which the person making the overpayment, if the
20 person has not already filed a claim, is notified by the Department that a
21 claim may be filed or the date upon which the claim is certified to the State
22 Board of Examiners, whichever is earlier.

23 (b) In the case of a credit, to the same date as that to which interest is
24 computed on the tax or the amount against which the credit is applied.

25 **Sec. 10. NRS 360.300 is hereby amended to read as follows:**

26 360.300 1. If a person fails to file a return or the Department is not
27 satisfied with the return or returns of any tax, contribution or premium or
28 amount of tax, contribution or premium required to be paid to the State by
29 any person, in accordance with the applicable provisions of this chapter,
30 chapter 360B, 362, 363A, 363B, 363C, 369, 370, 372, 372A, 372B, 374,
31 377, 377A, 377C or 444A of NRS, NRS 482.313, or chapter 585 or 680B
32 of NRS, or sections 8 to 11, inclusive, of this act, as administered or
33 audited by the Department, it may compute and determine the amount
34 required to be paid upon the basis of:

35 (a) The facts contained in the return;

36 (b) Any information within its possession or that may come into its
37 possession; or

38 (c) Reasonable estimates of the amount.

39 2. One or more deficiency determinations may be made with respect
40 to the amount due for one or for more than one period.

41 3. In making its determination of the amount required to be paid, the
42 Department shall impose interest on the amount of tax determined to be
43 due, calculated at the rate and in the manner set forth in NRS 360.417,
44 unless a different rate of interest is specifically provided by statute.

1 4. The Department shall impose a penalty of 10 percent in addition to
2 the amount of a determination that is made in the case of the failure of a
3 person to file a return with the Department.

4 5. When a business is discontinued, a determination may be made at
5 any time thereafter within the time prescribed in NRS 360.355 as to
6 liability arising out of that business, irrespective of whether the
7 determination is issued before the due date of the liability.

8 **Sec. 11. NRS 360.417 is hereby amended to read as follows:**

9 360.417 Except as otherwise provided in NRS 360.232 and 360.320,
10 and unless a different penalty or rate of interest is specifically provided by
11 statute, any person who fails to pay any tax provided for in chapter 362,
12 363A, 363B, 363C, 369, 370, 372, 372B, 374, 377, 377A, 377C, 444A or
13 585 of NRS, or sections 8 to 11, inclusive, of this act, any of the taxes
14 provided for in NRS 372A.290, or any fee provided for in NRS 482.313,
15 and any person or governmental entity that fails to pay any fee provided
16 for in NRS 360.787, to the State or a county within the time required, shall
17 pay a penalty of not more than 10 percent of the amount of the tax or fee
18 which is owed, as determined by the Department, in addition to the tax or
19 fee, plus interest at the rate of 0.75 percent per month, or fraction of a
20 month, from the last day of the month following the period for which the
21 amount or any portion of the amount should have been reported until the
22 date of payment. The amount of any penalty imposed must be based on a
23 graduated schedule adopted by the Nevada Tax Commission which takes
24 into consideration the length of time the tax or fee remained unpaid.

25 **Sec. 12. NRS 360.510 is hereby amended to read as follows:**

26 360.510 1. If any person is delinquent in the payment of any tax or
27 fee administered by the Department or if a determination has been made
28 against the person which remains unpaid, the Department may:

29 (a) Not later than 3 years after the payment became delinquent or the
30 determination became final; or

31 (b) Not later than 6 years after the last recording of an abstract of
32 judgment or of a certificate constituting a lien for tax owed,

33 ↪ give a notice of the delinquency and a demand to transmit personally or
34 by registered or certified mail to any person, including, without limitation,
35 any officer or department of this State or any political subdivision or
36 agency of this State, who has in his or her possession or under his or her
37 control any credits or other personal property belonging to the delinquent,
38 or owing any debts to the delinquent or person against whom a
39 determination has been made which remains unpaid, or owing any debts to
40 the delinquent or that person. In the case of any state officer, department or
41 agency, the notice must be given to the officer, department or agency
42 before the Department presents the claim of the delinquent taxpayer to the
43 State Controller.

1 2. A state officer, department or agency which receives such a notice
2 may satisfy any debt owed to it by that person before it honors the notice
3 of the Department.

4 3. After receiving the demand to transmit, the person notified by the
5 demand may not transfer or otherwise dispose of the credits, other personal
6 property, or debts in his or her possession or under his or her control at the
7 time the person received the notice until the Department consents to a
8 transfer or other disposition.

9 4. Every person notified by a demand to transmit shall, within 10 days
10 after receipt of the demand to transmit, inform the Department of and
11 transmit to the Department all such credits, other personal property or
12 debts in his or her possession, under his or her control or owing by that
13 person within the time and in the manner requested by the Department.
14 Except as otherwise provided in subsection 5, no further notice is required
15 to be served to that person.

16 5. If the property of the delinquent taxpayer consists of a series of
17 payments owed to him or her, the person who owes or controls the
18 payments shall transmit the payments to the Department until otherwise
19 notified by the Department. If the debt of the delinquent taxpayer is not
20 paid within 1 year after the Department issued the original demand to
21 transmit, the Department shall issue another demand to transmit to the
22 person responsible for making the payments informing him or her to
23 continue to transmit payments to the Department or that his or her duty to
24 transmit the payments to the Department has ceased.

25 6. If the notice of the delinquency seeks to prevent the transfer or
26 other disposition of a deposit in a bank or credit union or other credits or
27 personal property in the possession or under the control of a bank, credit
28 union or other depository institution, the notice must be delivered or
29 mailed to any branch or office of the bank, credit union or other depository
30 institution at which the deposit is carried or at which the credits or personal
31 property is held.

32 7. If any person notified by the notice of the delinquency makes any
33 transfer or other disposition of the property or debts required to be
34 withheld or transmitted, to the extent of the value of the property or the
35 amount of the debts thus transferred or paid, that person is liable to the
36 State for any indebtedness due pursuant to this chapter, chapter 360B, 362,
37 363A, 363B, 363C, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C or
38 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS or sections 8
39 to 11, inclusive, of this act from the person with respect to whose
40 obligation the notice was given if solely by reason of the transfer or other
41 disposition the State is unable to recover the indebtedness of the person
42 with respect to whose obligation the notice was given.

43 **Sec. 13. 1. The Department of Education shall transfer the**
44 **sums of money identified in this subsection from the Account for**
45 **Programs for Innovation and the Prevention of Remediation created**

1 by NRS 387.1247 to school districts and the State Public Charter
2 School Authority for block grants for the purposes described in
3 subsection 2. The money must not be used for administrative
4 expenditures of the Department of Education. The amount to be
5 transferred for the fiscal year shown is:

	2019-2020	2020-2021
Carson City School District	\$321,107	\$321,107
Churchill County School District	129,882	129,882
Clark County School District	13,164,542	13,164,542
Douglas County School District	233,145	233,145
Elko County School District	393,004	393,004
Esmeralda County School District	2,822	2,822
Eureka County School District	10,870	10,870
Humboldt County School District	138,896	138,896
Lander County School District	40,094	40,094
Lincoln County School District	38,911	38,911
Lyon County School District	346,687	346,687
Mineral County School District	21,795	21,795
Nye County School District	208,922	208,922
Pershing County School District	27,070	27,070
Storey County School District	17,403	17,403
Washoe County School District	2,691,893	2,691,893
White Pine County School District	49,030	49,030
State Public Charter School Authority	1,471,904	1,471,904

28 2. The money received by each school district and the State Public
29 Charter School Authority pursuant to subsection 1 may be used for
30 any of the following purposes:

- 31 (a) Providing incentives for new teachers;
- 32 (b) Carrying out any of the purposes for which a school district or
33 charter school may apply for a grant from the Nevada Ready 21
34 Technology Program created by NRS 388.810;
- 35 (c) Carrying out any of the purposes for which a school district or
36 charter school may apply for a grant from the Great Teaching and
37 Leading Fund created by NRS 391A.500;
- 38 (d) Carrying out any program to provide assistance to teachers in
39 meeting the standards for effective teaching, including, without
40 limitation, through peer assistance and review;
- 41 (e) Purchasing library books;
- 42 (f) Supporting pupil career and technical organizations; and
- 43 (g) If the school district or charter school determines that the
44 money received pursuant to subsection 1 would best be put to use by

1 doing so, supporting the operations of the school district or charter
2 school.

3 3. The money received by each school district and the State Public
4 Charter School Authority pursuant to subsection 1:

5 (a) May not be used to settle or arbitrate disputes between a
6 recognized organization representing employees of a school district
7 and the school district, or to settle any negotiations.

8 (b) May not be used to adjust the district-wide schedule of salaries
9 and benefits of the employees of a school district or the school-wide
10 schedule of salaries and benefits of the employees of a charter school.

11 (c) Must not be budgeted by a school district or charter school in a
12 manner that creates any obligation or deficit for funding in any fiscal
13 year after the fiscal years for which the money was received.

14 4. The money transferred pursuant to subsection 1 must be
15 accounted for separately by each school district and the State Public
16 Charter School Authority. On or before September 1 of each year,
17 each school district and the State Public Charter School Authority
18 shall prepare a report detailing how all money received pursuant to
19 subsection 1 was spent during the immediately preceding fiscal year
20 and submit the report to the Director of the Legislative Counsel
21 Bureau for transmission to the next session of the Legislature, if the
22 report is submitted in an even-numbered year, or to the Legislative
23 Commission, if the report is submitted in an odd-numbered year.

24 5. The money transferred pursuant to subsection 1 must be
25 expended in accordance with NRS 353.150 to 353.246, inclusive,
26 concerning the allotment, transfer, work program and budget.
27 Transfers to and allotments from must be allowed and made in
28 accordance with NRS 353.215 to 353.225, inclusive, after separate
29 consideration of the merits of each request.

30 6. Any remaining balance of the transfer made by subsection 1
31 for Fiscal Year 2019-2020 must be added to the money transferred for
32 Fiscal Year 2020-2021 and may be expended as that money is
33 expended. Any remaining balance of the transfer made by subsection
34 1 for Fiscal Year 2020-2021, including any such money added from the
35 previous fiscal year, must be used for the purposes identified in
36 subsection 2 and does not revert to the State General Fund.

37 Sec. 14. 1. Notwithstanding the provisions of NRS 387.206 to
38 387.207, inclusive, to the contrary for the 2019-2021 biennium:

39 (a) The Department of Education is not required to comply with
40 the provisions of NRS 387.206 to 387.2067, inclusive.

41 (b) Each school district, charter school and university school for
42 profoundly gifted pupils is not required to comply with the provisions
43 governing the minimum amount of money that must be expended for
44 each fiscal year in that biennium for textbooks, instructional supplies,
45 instructional software and instructional hardware as prescribed

1 pursuant to NRS 387.206 and is not required to submit a request for a
2 waiver pursuant to NRS 387.2065. The:

3 (1) Requirement to provide a written accounting of the use of
4 the money as set forth in subsection 1 of NRS 387.2067; and

5 (2) Restrictions on the use of the money that would have
6 otherwise been expended by the school district, charter school or
7 university school for profoundly gifted pupils to meet the
8 requirements of NRS 387.206 as set forth in subsection 3 of NRS
9 387.2067,

10 ↪ apply during this period.

11 (c) Each school district is not required to comply with the
12 provisions governing the minimum amount of money that must be
13 expended for each school year in that biennium for library books,
14 software for computers, the purchase of equipment relating to
15 instruction and the maintenance and repair of equipment, vehicles,
16 and buildings and facilities as prescribed pursuant to NRS 387.207.

17 2. If, before July 1, 2019, the board of trustees of a school district,
18 the governing body of a charter school or the governing body of a
19 university school for profoundly gifted pupils submitted a request for
20 a waiver pursuant to NRS 387.2065, the Department of Education
21 shall return the request to the applicant.

22 Sec. 15. 1. Notwithstanding the provisions of NRS 353.266,
23 353.268 and 353.269, if the Legislative Commission directs the
24 Legislative Auditor to make a special audit or investigation of the 17
25 school districts pursuant to NRS 218G.120, the Interim Finance
26 Committee may make an allocation from the Contingency Account in
27 the State General Fund to cover the costs of the special audit or
28 investigation.

29 2. Such a special audit or investigation may include, without
30 limitation, for each school district in this State, an examination and
31 analysis of:

32 (a) The distribution of federal, state and local money to the school
33 district and whether the methods of distribution ensure intradistrict
34 equity.

35 (b) Internal controls and compliance with laws, contracts and
36 grant agreements in the following areas:

37 (1) Human resources;

38 (2) Fiscal operations relating to expenditures and distributions;

39 (3) The salaries of teachers and other licensed educational
40 personnel;

41 (4) Per pupil spending; and

42 (5) Fiscal monitoring.

43 3. The Superintendent of Public Instruction, the board of trustees
44 of each school district and the superintendent of schools of each school
45 district shall provide such information as is required by the Legislative

1 Auditor to assist with the completion of such a special audit or
2 investigation.

3 4. If such a special audit or investigation is directed by the
4 Legislative Commission pursuant to NRS 218G.120, the Legislative
5 Auditor shall, on or before January 31, 2021, prepare and present a
6 final written report of the audit to the Audit Subcommittee of the
7 Legislative Commission created by NRS 218E.240.

8 Sec. 16. The provisions of section 14 of this act apply to any
9 contract existing on July 1, 2019, to the extent that the provisions of
10 section 14 of this act do not conflict with the terms of such a contract
11 and to the extent that a conflict exists, the provisions of the contract
12 control.

13 Sec. 17. The provisions of subsection 1 of NRS 218D.380 do not
14 apply to any provision of this act which adds or revises a requirement
15 to submit a report to the Legislature.

16 Sec. 18. This act becomes effective on July 1, 2019.

H