

**PROPOSED REGULATION OF THE  
COMMITTEE ON LOCAL GOVERNMENT FINANCE**

**LCB File No. R006-12**

EXPLANATION – Matter in *bold italic* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§1-7, NRS 354.107; SB 65

A REGULATION relating to governmental financial administration; establishing procedures and guidelines for consolidation of school districts, or to share services, functions and personnel with other school districts; and providing other matters relating properly thereto.

**Section 1.** Chapter 354 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 11, inclusive, of this regulation.

**Sec. 2.** *As used in sections 2 to 11, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 through 5 of this regulation have the meanings ascribed to them in those sections.*

**Sec. 3.** *“Function” has the meaning ascribed to it in NRS 354.529 and includes, without limitation, any administrative activities and responsibilities associated with a function, including, without limitation, those relating to budgeting, contracting, finances, personnel, office facilities, information technology and communications.*

**Sec. 4.** *“Intergovernmental agreement” means a written agreement between school districts for the implementation of consolidation or sharing of services, functions, and personnel.*

**Sec. 5.** *“Consolidation or Service Sharing Plan” means a written plan for the implementation of the consolidation of functions or sharing of services between two or more school districts.*

**Sec. 6. 1.** *The school districts interested in a consolidation or service sharing plan must, by mutual agreement, designate one of them to act as the lead entity. In the absence of such a designation, a school district proposing to consolidate or share services shall be deemed to be designated to act as the lead entity.*

*2. The lead entity will be responsible for:*

*(a) Collecting data pertaining to the function proposed to be consolidated or shared;*

*(b) Identifying any interested persons or entities;*

*(c) Preparing a tentative draft of the consolidation or service sharing plan; and*

*(d) Carrying out any other duties prescribed for the lead entity in this regulation.*

*3. The lead entity may request from the other school districts and any interested person such information relating to the function proposed to be consolidated or shared as may be necessary for the lead entity to prepare a tentative draft of the consolidation or shared services plan, including, without limitation, a description of the function and information concerning the property and other assets used in the performance of the function, the operating costs for the function, contracts relating to the performance of the function, liabilities and pending claims relating to the function, and mechanisms for funding the performance of the function. The responding school districts shall, not later than 30 days after receiving a written request for such information from the lead entity, provide the requested information to the lead entity.*

**Sec. 7.** *1. Upon completing a tentative draft of the consolidation or service sharing plan, the lead entity shall provide a copy of the draft to the other school districts and any interested persons identified by the lead entity.*

*2. The other school districts or any of the interested persons to whom a copy of the tentative draft is provided pursuant to subsection 1 may, within 45 days after receiving the draft copy, object to any of the provisions contained in the draft by providing to the lead entity a written statement of its objections. The statement may include any alternative provisions which the school district or interested person desires to be included in the proposed consolidation or shared services plan.*

*3. If the lead entity:*

*(a) Does not receive any objections pursuant to subsection 2, the tentative draft constitutes a proposed consolidation plan.*

*(b) Receives any objections pursuant to subsection 2:*

*(1) The school districts shall review the objections and may consider any alternative provisions contained in each written statement of objections and any other alternative provisions proposed by the school districts and interested persons. If the school districts are unable to agree on the provisions of a proposed consolidation or shared services plan within 30 days after the date of the last written statement of objections is provided to the lead entity pursuant to subsection 2, the school districts may submit to the Department of Education, jointly or individually, a written request for assistance from the Department in resolving any disagreements concerning those provisions. The school districts are not required to follow any recommendation of the Department.*

*(2) Upon the agreement of the school districts to the provisions of a proposed consolidation or shared services plan, the lead entity shall:*

*(I) Prepare the proposed consolidation or shared services plan in accordance with that agreement; and*

*(II) Provide a copy of the proposed consolidation or shared services plan to the other school districts and to any interested persons identified by the lead entity.*

**Sec. 8. A consolidation or shared services plan:**

**1. Must include:**

*(a) Such information as is necessary to complete the consolidation of the function or service to be shared, including, without limitation, a complete description of:*

*(1) The function being consolidated or service being shared; and*

*(2) The mechanism to be used to pay for the performance of that function; and*

*(b) The effective date of the consolidation of the function or service to be shared.*

**2. May include, without limitation, one or more of the descriptions, analyses, or information as described in NAC 354.084(2).**

**Sec. 9. 1. No consolidation or shared services plan may authorize:**

*(a) A school district to perform a function that is not expressly authorized by law to perform on the effective date of the consolidation of the function or sharing of a service; or*

*(b) The continuation of a function beyond the period authorized by law for the performance of the function or beyond the date on which the performance of the function would have terminated if the function had not been consolidated or the service shared.*

*2. Except as otherwise specifically provided in the consolidation or shared service plan or an intergovernmental agreement, the provisions thereof do not:*

*(a) Limit or alter the effect of any ordinance or resolution adopted by a school district or any other action taken by a school district before the effective date of the consolidation of the function or service shared; or*

*(b) Abate any proceedings:*

*(1) Commenced by a school district before the effective date of the consolidation of the function or the service shared; or*

*(2) Pending before a school district on the effective date of the consolidation of the function or the service shared.*

**Sec. 10. 1. Before approving a consolidation or shared services plan or an intergovernmental agreement, the school districts:**

*(a) May jointly hold one or more workshops in each school district to solicit comments regarding one or more general topics to be addressed in a proposed consolidation or shared services plan or intergovernmental agreement; and*

*(b) Shall, jointly or individually, hold a public hearing to approve or disapprove the proposed consolidation or shared services plan or intergovernmental agreement in accordance with the provisions of chapter 241 of NRS.*

**Sec. 11. 1. The approval of a consolidation or shared services plan or an intergovernmental agreement by a school district shall be deemed to expire 1 year after the date of that approval unless:**

*(a) The consolidation of the applicable function or the service to be shared has been completed within that period;*

- (b) The consolidation or shared service plan or intergovernmental agreement specifies a different period for the expiration of that approval; or*
- (c) The school districts, by mutual agreement, agree to extend the applicable period for the expiration of that approval.*