

**PROPOSED REGULATION OF THE
STATE BOARD OF EDUCATION**

LCB File No. R065-22

June 2, 2022

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

AUTHORITY: §§ 1-3, NRS 388G.580 and 388G.590.

A REGULATION relating to education; establishing certain powers of the Superintendent of Public Instruction to carry out the reorganization of a large school district; setting forth the qualifications, powers and duties of a compliance monitor to oversee the reorganization of a large school district; authorizing the Superintendent of Public Instruction to place certain large school districts in receivership due to noncompliance with certain requirements relating to the reorganization of a large school district; setting forth the powers and duties of a receiver of a large school district; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the reorganization of any school district which has more than 100,000 pupils enrolled in its public schools. (NRS 388G.500-388G.810) Existing law requires the State Board of Education to adopt regulations necessary and appropriate to carry out the provisions relating to the reorganization of large school districts. (NRS 388G.590) Existing law also requires the Superintendent of Public Instruction to take necessary and appropriate actions to ensure the reorganization of a large school district. (NRS 388G.580)

Section 2 of this regulation authorizes the Superintendent of Public Instruction to take certain actions relating to the reorganization of large school districts, including, without limitation: (1) issuing a notice of noncompliance to the board of trustees and superintendent of schools of a large school district; (2) requesting a plan of corrective action from the board of trustees and superintendent of schools of a large school district; (3) appointing a compliance monitor to oversee the reorganization of a large school district; (4) ordering a hearing to determine whether a large school district should be placed in receivership; and (5) placing a large school district in receivership in certain situations. **Section 3** of this regulation requires the Superintendent of Public Instruction to remove a large school district from receivership upon compliance with existing law and authorizes the Superintendent of Public Instruction to reinstate a receivership in certain situations. **Section 2** also sets forth the qualifications and duties of a compliance monitor, who must: (1) possess the skills and knowledge necessary to perform the prescribed duties; (2) assess the reorganization of a large school district; (3) review the development and implementation of a plan of corrective action; and (4) provide written reports to the board of trustees and the Superintendent of Public Instruction. Additionally, **section 2** sets

forth the powers and duties of a receiver of a large school district, which include, without limitation: (1) overriding certain decisions of the board of trustees or the superintendent of the large school district; (2) attending any meeting relating to the reorganization and operation of the large school district; (3) overseeing day-to-day activities of the large school district; (4) providing certain monthly reports; (5) reorganizing the large school district to bring it into compliance with the requirements of state law; and (6) negotiating certain employment contracts.

Section 1. Chapter 388G of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation.

Sec. 2. *To ensure that each large school district carries out the reorganization of the school district in accordance with the provisions of this chapter and NRS 388G.500 to 388G.810, inclusive, the Superintendent of Public Instruction may:*

1. Issue a notice of noncompliance to the board of trustees and the superintendent of schools of a large school district setting forth each instance identified by the Superintendent of Public Instruction in which the district has failed to comply with the requirements of the provisions of this chapter and NRS 388G.500 to 388G.810, inclusive.

2. At any time after the issuance of a notice of noncompliance pursuant to subsection 1, request a plan of corrective action from the board of trustees and the superintendent of schools of the large school district to address any instance of noncompliance identified in the notice. The board of trustees and the superintendent of schools of the large school district shall develop and implement the plan for corrective action, subject to the approval of the Superintendent of Public Instruction, within 45 days after receiving the request for the plan.

3. At any time after the issuance of a notice of noncompliance pursuant to subsection 1, appoint one or more compliance monitors to assess the reorganization of the large school district and provide recommendations for compliance. A compliance monitor:

(a) Must possess the skills and knowledge necessary to perform the prescribed duties.

(b) Shall assess the reorganization of the large school district and any instance of noncompliance identified in the notice of noncompliance pursuant to subsection 1.

(c) Shall review the development and implementation of a plan of corrective action requested by the Superintendent of Public Instruction pursuant to subsection 2, if any, and provide assistance to the board of trustees and the superintendent of schools of the large school district in the development and implementation of the plan.

(d) Shall provide a written report assessing the reorganization not less often than quarterly to the board of trustees of the large school district.

(e) Shall provide a monthly report assessing the reorganization to the Superintendent of Public Instruction and any additional reports requested by the Superintendent of Public Instruction.

4. At any time after the issuance of a notice of noncompliance pursuant to subsection 1 and the appointment of a compliance monitor pursuant to subsection 3, require the board of trustees and the superintendent of schools of the large school district to:

(a) Place, not less often than once per month, the most recent written report provided by the compliance monitor pursuant to paragraph (d) of subsection 3 on the agenda of a regular meeting of the board of trustees of the large school district.

(b) Allow a compliance monitor appointed pursuant to subsection 3 to attend any meetings related to the reorganization and operation of the large school district, including, without limitation, any meeting of the board of trustees of the large school district, any meeting of any executive or cabinet members of the large school district, any meeting of any principals of schools of the large school district and any meeting of any interested stakeholders.

(c) Compensate a compliance monitor at a rate determined by the Superintendent of Public Instruction, based on the qualifications and experience of the compliance monitor, and reimburse the compliance monitor for any reasonable and necessary expenses incurred in performing the prescribed duties of the compliance monitor.

(d) Provide a compliance monitor with administrative access to the employees of the large school district, subject to the approval of the Superintendent of Public Instruction.

5. If, at least 180 days after the issuance of a notice of noncompliance pursuant to subsection 1, the Superintendent of Public Instruction determines that a large school district remains not in compliance with the provisions of this chapter and NRS 388G.500 to 388G.810, inclusive, order a hearing to be held before the State Board and in the presence of the compliance monitor at which the president of the board of trustees and the superintendent of schools of the large school district must appear to explain the continued noncompliance of the large school district. At the conclusion of the hearing, the State Board will recommend to the Superintendent of Public Instruction whether the large school district should be placed in a partial or full receivership.

6. At any time after receiving a recommendation of the State Board pursuant to subsection 5, place a large school district in receivership. If the Superintendent of Public Instruction places a large school district in receivership, the Superintendent of Public Instruction shall appoint a receiver, whose power, authority and duties shall be effective on the date of the appointment of the receiver. Subject to the terms of the receivership as determined by the Superintendent of Public Instruction, once appointed, the receiver:

(a) May override any decisions of the board of trustees or the superintendent of schools of the large school district, or both, concerning areas subject to receivership, as determined by the Superintendent of Public Instruction, and make decisions concerning such areas.

(b) May attend any meeting related to the reorganization and operation of the large school district, including, without limitation, any meeting of the board of trustees of the large school district, any meeting of any executive or cabinet members of the large school district, any meeting of any principals of schools of the large school district and any meeting of any interested stakeholders.

(c) May oversee any related day-to-day activities of the large school district, including, without limitation, reassigning the duties and responsibilities of the personnel of the large school district in a manner that, in the determination of the receiver, best enables the large school district to achieve compliance with the provisions of this chapter and NRS 388G.500 to 388G.810, inclusive.

(d) Shall provide monthly reports assessing the reorganization to the Superintendent of Public Instruction and any additional reports requested by the Superintendent of Public Instruction.

(e) May reorganize the large school district to bring it into compliance with the provisions of this chapter and NRS 388G.500 to 388G.810, inclusive, including, without limitation, revising or reorganizing any policy or regulation, management, budgetary system, department, division or any other area that the receiver determines requires such action.

(f) May negotiate or renegotiate any employment contract to comply with the provisions of this chapter and NRS 388G.500 to 388G.810, inclusive.

7. After the appointment of a receiver pursuant to subsection 6, require the large school district to:

(a) Compensate the receiver at a rate determined by the Superintendent of Public Instruction, based on the qualifications and experience of the receiver, and reimburse the receiver for any reasonable and necessary expenses incurred in performing the prescribed duties of the receiver.

(b) Indemnify the receiver and any member of staff hired or appointed by the receiver if the receiver or any such member of staff:

(1) Is made or threatened to be made a party to any litigation by reason of his or her status under the provisions of title 34 of NRS and the regulations adopted pursuant thereto;

(2) Acted in good faith and in a manner which the receiver or member of staff reasonably believed was consistent with the best interests of the large school district; and

(3) Had no reasonable cause to believe the conduct was unlawful.

(c) Place, not less often than once per month, the most recent written report provided by the compliance monitor pursuant to paragraph (d) of subsection 3 on the agenda of a regular meeting of the board of trustees of the large school district.

(d) Provide the receiver with administrative access to the employees of the large school district, subject to the approval of the Superintendent of Public Instruction.

Sec. 3. 1. Within 30 days after the large school district is determined to be in compliance with the provisions of this chapter and NRS 388G.500 to 388G.810, inclusive, the Superintendent of Public Instruction shall remove the large school district from receivership and dismiss the receiver and any staff hired or appointed by the receiver.

2. At any time after removing a large school district from receivership, the Superintendent of Public Instruction may reinstate the receivership if the large school district recommits any of the violations set forth in the initial notice of noncompliance issued pursuant to subsection 1 of section 2 of this regulation.