

Senate Bill No. 508–Committee on Finance

CHAPTER.....

AN ACT relating to education; revising provisions governing the Nevada Plan; removing the provisions requiring a single annual count of pupils enrolled in public schools and requiring school districts to make quarterly reports of average daily enrollment; prospectively removing the provision of funding through the use of special education program units and including a multiplier to the basic support guarantee for pupils with disabilities; revising provisions governing the inclusion of pupils enrolled in kindergarten; revising provisions governing the hold harmless provisions for school districts and charter schools; creating the Contingency Account for Special Education; revising provisions governing certain persons with disabilities; requiring the Department of Education to develop a plan for implementing a multiplier to the basic support guarantee for certain categories of pupils; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law establishes the Nevada Plan and 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 for each school district and the basic support guarantee for each special education program unit. (NRS 387.122, 387.1221) 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 and adding funding for special education program units. (NRS 387.1221-387.1233; *see, e.g.*, chapter 382, Statutes of Nevada 2013, p. 2053) The calculation of basic support is based upon the count of pupils enrolled in public schools of the school district on the last day of the first school month of the school district, commonly referred to as “the count day.” Under existing law, pupils enrolled in kindergarten are counted as six-tenths the count of pupils who are enrolled in grades 1 to 12, inclusive. (NRS 387.1233)

**Section 4** of this bill expresses the intent of the Legislature, commencing with Fiscal Year 2016-2017, to provide additional resources to the Nevada Plan expressed as a multiplier of the basic support guarantee to meet the unique needs of certain categories of pupils, including, without limitation, pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils. (NRS 387.121) **Section 9** of this bill removes “the count day” and instead requires the school districts to report to the Department of Education “average daily enrollment,” which is defined in **section 5** of this bill, on a quarterly basis. (NRS 387.1211) **Section 9** also requires the Department to prescribe a process to reconcile the quarterly reports of average daily enrollment to account for pupils who leave the school district or a public school during the school year. **Section 11** of this bill removes, effective July 1, 2017, the requirement that pupils enrolled in kindergarten be counted as six-tenths and instead includes those pupils

in the regular reporting of average daily enrollment with the pupils enrolled in grades 1 to 12, inclusive.

**Section 30** of this bill repeals, effective July 1, 2016, the provision of funding for special education through special education program units and instead **section 7** of this bill requires that the basic support guarantee per pupil for each school district include a multiplier for pupils with disabilities. (NRS 387.1221, 387.122) **Section 24** of this bill creates the Contingency Account for Special Education Services and requires the State Board of Education to adopt regulations for the application, approval and disbursement of money to reimburse the school districts and charter schools for extraordinary program expenses and related services for pupils with significant disabilities.

Under existing law, if the enrollment of pupils in a school district or a charter school that is located in the school district on the count day is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school for the immediately preceding school year, the largest number from the immediately preceding 2 school years must be used for apportionment purposes to the school district or charter school, commonly referred to as the "hold harmless provision." (NRS 387.1233) **Section 9** of this bill revises this hold harmless provision so that if the enrollment of pupils in a school district or charter school based upon the average daily enrollment during the quarter is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school during the same quarter of the immediately preceding school year, the enrollment of pupils during the quarter in the immediately preceding school year must be used for purposes of apportioning money to the school district or charter school. Also under existing law, there is a hold harmless provision if a school district or a charter school has an enrollment of pupils on count day that is more than 95 percent of the enrollment of pupils in the same school district or charter school for the immediately preceding school year, the larger enrollment number from the current school year or the immediately preceding school year must be used for apportioning money to the school district or charter school. (NRS 387.1233) **Section 9** removes this hold harmless provision.

**Section 28** of this bill requires the Department of Education to develop a plan as soon as practicable to provide additional resources to the Nevada Plan expressed as a multiplier of the basic support guarantee to meet the unique needs of pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils. The plan must include: (1) the amount of the multiplier for each such category of pupils; and (2) the date by which the plan should be implemented or phased in, with full implementation occurring not later than Fiscal Year 2021-2022. **Section 28** further requires the Department to submit the plan to the Legislative Committee on Education for its review and consideration during the 2015-2016 interim and requires the Committee to submit a report on the plan on or before October 1, 2016, to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 79th Session of the Nevada Legislature. **Section 28** also requires the Superintendent of Public Instruction to submit a report on or before October 1, 2016, to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 79th Session of the Nevada Legislature that includes: (1) the per pupil expenditures associated with legislative appropriations for pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils; and (2) any recommendations for legislation to address the unique needs of those pupils. **Section 29** of this bill provides for the allocation of funding for pupils with disabilities for Fiscal Year 2016-2017.

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

**Section 1.** NRS 386.513 is hereby amended to read as follows:

386.513 1. The State Public Charter School Authority is hereby deemed a local educational agency for the purpose of directing the proportionate share of any money available from federal and state categorical grant programs to charter schools which are sponsored by the State Public Charter School Authority or a college or university within the Nevada System of Higher Education that are eligible to receive such money. A charter school that receives money pursuant to such a grant program shall comply with any applicable reporting requirements to receive the grant.

2. ~~If the charter school is eligible to receive special education program units, the Department shall pay the special education program units directly to the charter school.~~

~~—3.4~~ As used in this section, “local educational agency” has the meaning ascribed to it in 20 U.S.C. § 7801(26)(A).

**Sec. 2.** NRS 386.570 is hereby amended to read as follows:

386.570 1. Each pupil who is enrolled in a charter school, including, without limitation, a pupil who is enrolled in a program of special education in a charter school, must be included in the count of pupils in the school district for the purposes of apportionments and allowances from the State Distributive School Account pursuant to NRS 387.121 to 387.126, inclusive, unless the pupil is exempt from compulsory attendance pursuant to NRS 392.070. A charter school is entitled to receive its proportionate share of any other money available from federal, state or local sources that the school or the pupils who are enrolled in the school are eligible to receive. If a charter school receives special education program units directly from this State, the amount of money for special education that the school district pays to the charter school may be reduced proportionately by the amount of money the charter school received from this State for that purpose. The State Board shall prescribe a process which ensures that all charter schools, regardless of the sponsor, have information about all sources of funding for the public schools provided through the Department, including local funds pursuant to NRS 387.1235.

2. All money received by the charter school from this State or from the board of trustees of a school district must be deposited in an account with a bank, credit union or other financial institution in

this State. The governing body of a charter school may negotiate with the board of trustees of the school district and the State Board for additional money to pay for services which the governing body wishes to offer.

3. Upon completion of each school quarter, the Superintendent of Public Instruction shall pay to the sponsor of a charter school one-quarter of the yearly sponsorship fee for the administrative costs associated with sponsorship for that school quarter, which must be deducted from the quarterly apportionment to the charter school made pursuant to NRS 387.124. Except as otherwise provided in subsection 4, the yearly sponsorship fee for the sponsor of a charter school must be in an amount of money not to exceed 2 percent of the total amount of money apportioned to the charter school during the school year pursuant to NRS 387.124.

4. If the governing body of a charter school satisfies the requirements of this subsection, the governing body may submit a request to the sponsor of the charter school for approval of a sponsorship fee in an amount that is less than 2 percent but at least 1 percent of the total amount of money apportioned to the charter school during the school year pursuant to NRS 387.124. The sponsor of the charter school shall approve such a request if the sponsor of the charter school determines that the charter school satisfies the requirements of this subsection. If the sponsor of the charter school approves such a request, the sponsor shall provide notice of the decision to the governing body of the charter school and the Superintendent of Public Instruction. If the sponsor of the charter school denies such a request, the governing body of the charter school may appeal the decision of the sponsor to the Superintendent of Public Instruction. Upon appeal, the sponsor of the charter school and the governing body of the charter school are entitled to present evidence. The decision of the Superintendent of Public Instruction on the appeal is final and is not subject to judicial review. The governing body of a charter school may submit a request for a reduction of the sponsorship fee pursuant to this subsection if:

(a) The charter school satisfies the requirements of subsection 1 of NRS 386.5515; and

(b) There has been a decrease in the duties of the sponsor of the charter school that justifies a decrease in the sponsorship fee.

5. To determine the amount of money for distribution to a charter school in its first year of operation, the count of pupils who are enrolled in the charter school must initially be determined 30 days before the beginning of the school year of the school district,

based on the number of pupils whose applications for enrollment have been approved by the charter school. The count of pupils who are enrolled in the charter school must be revised ~~[on the last day of the first school month of the school district in which the charter school is located for the school year,]~~ *each quarter* based on the ~~[actual number]~~ *average daily enrollment* of pupils ~~[who are enrolled]~~ in the charter school ~~[ ]~~ *that is reported for that quarter pursuant to NRS 387.1233*. Pursuant to subsection 5 of NRS 387.124, the governing body of a charter school may request that the apportionments made to the charter school in its first year of operation be paid to the charter school 30 days before the apportionments are otherwise required to be made.

6. If a charter school ceases to operate as a charter school during a school year, the remaining apportionments that would have been made to the charter school pursuant to NRS 387.124 for that year must be paid on a proportionate basis to the school districts where the pupils who were enrolled in the charter school reside.

7. The governing body of a charter school may solicit and accept donations, money, grants, property, loans, personal services or other assistance for purposes relating to education from members of the general public, corporations or agencies. The governing body may comply with applicable federal laws and regulations governing the provision of federal grants for charter schools. The State Public Charter School Authority may assist a charter school that operates exclusively for the enrollment of pupils who receive special education in identifying sources of money that may be available from the Federal Government or this State for the provision of educational programs and services to such pupils.

**Sec. 3.** NRS 386.570 is hereby amended to read as follows:

386.570 1. Each pupil who is enrolled in a charter school, including, without limitation, a pupil who is enrolled in a program of special education in a charter school, must be included in the count of pupils in the school district for the purposes of apportionments and allowances from the State Distributive School Account pursuant to NRS 387.121 to 387.126, inclusive, unless the pupil is exempt from compulsory attendance pursuant to NRS 392.070. A charter school is entitled to receive its proportionate share of any other money available from federal, state or local sources that the school or the pupils who are enrolled in the school are eligible to receive. ~~[If a charter school receives special education program units directly from this State, the amount of money for special education that the school district pays to the charter school may be reduced proportionately by the amount of money the charter~~

~~school received from this State for that purpose.]~~ The State Board shall prescribe a process which ensures that all charter schools, regardless of the sponsor, have information about all sources of funding for the public schools provided through the Department, including local funds pursuant to NRS 387.1235.

2. All money received by the charter school from this State or from the board of trustees of a school district must be deposited in an account with a bank, credit union or other financial institution in this State. The governing body of a charter school may negotiate with the board of trustees of the school district and the State Board for additional money to pay for services which the governing body wishes to offer.

3. Upon completion of each school quarter, the Superintendent of Public Instruction shall pay to the sponsor of a charter school one-quarter of the yearly sponsorship fee for the administrative costs associated with sponsorship for that school quarter, which must be deducted from the quarterly apportionment to the charter school made pursuant to NRS 387.124. Except as otherwise provided in subsection 4, the yearly sponsorship fee for the sponsor of a charter school must be in an amount of money not to exceed 2 percent of the total amount of money apportioned to the charter school during the school year pursuant to NRS 387.124.

4. If the governing body of a charter school satisfies the requirements of this subsection, the governing body may submit a request to the sponsor of the charter school for approval of a sponsorship fee in an amount that is less than 2 percent but at least 1 percent of the total amount of money apportioned to the charter school during the school year pursuant to NRS 387.124. The sponsor of the charter school shall approve such a request if the sponsor of the charter school determines that the charter school satisfies the requirements of this subsection. If the sponsor of the charter school approves such a request, the sponsor shall provide notice of the decision to the governing body of the charter school and the Superintendent of Public Instruction. If the sponsor of the charter school denies such a request, the governing body of the charter school may appeal the decision of the sponsor to the Superintendent of Public Instruction. Upon appeal, the sponsor of the charter school and the governing body of the charter school are entitled to present evidence. The decision of the Superintendent of Public Instruction on the appeal is final and is not subject to judicial review. The governing body of a charter school may submit a request for a reduction of the sponsorship fee pursuant to this subsection if:

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(a) The charter school satisfies the requirements of subsection 1 of NRS 386.5515; and

(b) There has been a decrease in the duties of the sponsor of the charter school that justifies a decrease in the sponsorship fee.

5. To determine the amount of money for distribution to a charter school in its first year of operation, the count of pupils who are enrolled in the charter school must initially be determined 30 days before the beginning of the school year of the school district, based on the number of pupils whose applications for enrollment have been approved by the charter school. The count of pupils who are enrolled in the charter school must be revised each quarter based on the average daily enrollment of pupils in the charter school that is reported pursuant to NRS 387.1233. Pursuant to subsection 5 of NRS 387.124, the governing body of a charter school may request that the apportionments made to the charter school in its first year of operation be paid to the charter school 30 days before the apportionments are otherwise required to be made.

6. If a charter school ceases to operate as a charter school during a school year, the remaining apportionments that would have been made to the charter school pursuant to NRS 387.124 for that year must be paid on a proportionate basis to the school districts where the pupils who were enrolled in the charter school reside.

7. The governing body of a charter school may solicit and accept donations, money, grants, property, loans, personal services or other assistance for purposes relating to education from members of the general public, corporations or agencies. The governing body may comply with applicable federal laws and regulations governing the provision of federal grants for charter schools. The State Public Charter School Authority may assist a charter school that operates exclusively for the enrollment of pupils who receive special education in identifying sources of money that may be available from the Federal Government or this State for the provision of educational programs and services to such pupils.

**Sec. 4.** 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 in a formula partially on a per pupil basis and partially on a per program basis as: State financial aid to school districts equals the difference between school district basic support guarantee and local available funds produced by mandatory taxes minus all the local funds attributable to pupils who reside in the county but attend a charter school or a university school for profoundly gifted pupils. This formula is designated the Nevada Plan.

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

**Sec. 5.** NRS 387.1211 is hereby amended to read as follows:

387.1211 As used in NRS 387.121 to 387.126, inclusive:

1. "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.

2. *"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.*

3. "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.

~~3.~~ 4. "Special education program unit" means an organized unit of special education and related services which includes full-time services of persons licensed by the Superintendent of Public Instruction or other appropriate licensing body, providing a program of instruction in accordance with minimum standards prescribed by the State Board.

**Sec. 6.** NRS 387.1211 is hereby amended to read as follows:

387.1211 As used in NRS 387.121 to 387.126, inclusive:

1. "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.

2. "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.

3. "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.

~~4. "Special education program unit" means an organized unit of special education and related services which includes full-time services of persons licensed by the Superintendent of Public Instruction or other appropriate licensing body, providing a program of instruction in accordance with minimum standards prescribed by the State Board.]~~

**Sec. 7.** NRS 387.122 is hereby amended to read as follows:

387.122 **1.** For making the apportionments of the State Distributive School Account in the State General Fund required by the provisions of this title, the basic support guarantee per pupil for each school district and the basic support guarantee for each special education program unit maintained and operated during at least 9 months of a school year are established by law for each school year. *The formula for calculating the basic support guarantee may be expressed as an estimated weighted average per pupil, based on the total expenditures for public education in the immediately preceding even-numbered fiscal year, plus any legislative appropriations for the immediately succeeding biennium, minus those local funds not guaranteed by the State pursuant to NRS 387.1235.*

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

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

*(b) Salary costs;*

*(c) Transportation; and*

*(d) Any other factor determined by the Superintendent of Public Instruction after consultation with the school districts and the State Public Charter School Authority.*

*3. Not later than July 1 of each even-numbered year, the Superintendent of Public Instruction shall review and, if necessary, revise the factors used for the equity allocation model adopted for the previous biennium and present the review and any*

*revisions at a meeting of the Legislative Committee on Education for consideration and recommendations by the Committee. After the meeting, the Superintendent of Public Instruction shall consider any recommendations of the Legislative Committee on Education, determine whether to include those recommendations in the equity allocation model and adopt the model. The Superintendent of Public Instruction shall submit the equity allocation model to the:*

*(a) Governor for inclusion in the proposed executive budget.*

*(b) Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.*

*4. The Department shall make available updated information regarding the equity allocation model on the Internet website maintained by the Department.*

**Sec. 8.** NRS 387.122 is hereby amended to read as follows:

387.122 1. For making the apportionments of the State Distributive School Account in the State General Fund required by the provisions of this title, the basic support guarantee per pupil for each school district ~~[and the basic support guarantee for each special education program unit maintained and operated during at least 9 months of a school year are]~~ *is* established by law for each school year. The formula for calculating the basic support guarantee may be expressed as an estimated weighted average per pupil, based on the total expenditures for public education in the immediately preceding *even-numbered* fiscal year, plus any legislative appropriations for the immediately succeeding biennium, minus those local funds not guaranteed by the State pursuant to NRS 387.1235.

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

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

(b) Salary costs;

(c) Transportation; and

(d) Any other factor determined by the Superintendent of Public Instruction after consultation with the school districts and the State Public Charter School Authority.

*3. The basic support guarantee per pupil must include a multiplier for pupils with disabilities. Except as otherwise provided in this subsection, the funding provided to each school district and charter school through the multiplier for pupils with disabilities 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. 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 an amount of money necessary to satisfy the requirements for maintenance of effort under federal law.*

4. Not later than July 1 of each even-numbered year, the Superintendent of Public Instruction shall *review and, if necessary*, revise the *factors used for the* equity allocation model adopted for the previous biennium and present the *review and any revisions* at a meeting of the Legislative Committee on Education for consideration and recommendations by the Committee. After the meeting, the Superintendent of Public Instruction shall *consider any recommendations of the Legislative Committee on Education, determine whether to include those recommendations in the equity allocation model and* adopt the *model*. *The Superintendent of Public Instruction shall submit the equity allocation model to the :*

(a) Governor for inclusion in the proposed executive budget.

(b) *Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.*

5. The Department shall make available updated information regarding the *equity allocation model* on the Internet website maintained by the Department.

**Sec. 9.** NRS 387.1233 is hereby amended to read as follows:

387.1233 1. *On or before October 1, January 1, April 1 and July 1, each school district 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.*

2. Except as otherwise provided in subsection ~~[2,]~~ 3, basic support of each school district must be computed by:

(a) Multiplying the basic support guarantee per pupil established for that school district for that school year by the sum of:

(1) Six-tenths the count of pupils enrolled in the kindergarten department ~~[on the last day of the first school month of the school district for the school year,]~~, *based on the average daily enrollment of those pupils during the quarter*, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school . ~~[on the last day of the first school month of the school district for the school year.]~~

(2) The count of pupils enrolled in grades 1 to 12, inclusive, ~~[on the last day of the first school month of the school district for the school year,]~~, *based on the average daily enrollment of those*

*pupils during the quarter*, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school ~~{on the last day of the first school month of the school district for the school year}~~ and the count of pupils who are enrolled in a university school for profoundly gifted pupils located in the county.

(3) The count of pupils not included under subparagraph (1) or (2) who are enrolled full-time in a program of distance education provided by that school district or a charter school located within that school district ~~{on the last day of the first school month of the school district for the school year.}~~, *based on the average daily enrollment of those pupils during the quarter.*

(4) 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 ~~{on the last day of the first school month of the school district for the school year.}~~, *based on the average daily enrollment of those 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 (2).

(II) In a charter school and are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school ~~{on the last day of the first school month of the school district for the school year.}~~, *based on the average daily enrollment of those 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 (2).

(5) The count of pupils not included under subparagraph (1), (2), (3) or (4), who are receiving special education pursuant to the provisions of NRS 388.440 to 388.520, inclusive, ~~{on the last day of the first school month of the school district for the school year.}~~ *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 subsection 1 of NRS 388.475 . ~~{on that day.}~~

(6) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of NRS 388.475 ~~{on the last day of the first school~~

~~month of the school district for the school year.] , based on the average daily enrollment of those pupils during the quarter.~~

(7) 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 ~~[on the last day of the first school month of the school district for the school year.] , based on the average daily enrollment of those pupils during the quarter.~~

(8) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 5 of NRS 386.560, subsection 5 of NRS 386.580 or subsection 3 of NRS 392.070, ***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 (2).

(b) Multiplying the number of special education program units maintained and operated by the amount per program established for that school year.

(c) Adding the amounts computed in paragraphs (a) and (b).

~~[2.]~~ **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 on the last day of the first school month of the school district for the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the ~~[largest number from among the]~~ immediately preceding ~~[2]~~ school ~~[years]~~ **year** must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.

~~[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 on the last day of the first school month of the school district for the school year is more than 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the larger enrollment number from the current year or the immediately preceding school year must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.]~~

4. If the Department determines that a school district or charter school deliberately causes a decline in the enrollment of pupils in the school district or charter school to receive a higher apportionment pursuant to subsection 2 , ~~for 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 Distributive School Account to that school district or charter school pursuant to NRS 387.124.

5. *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. 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.

~~6.~~ 7. Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing basic support pursuant to this section. The average daily attendance for such pupils must be reported to the Department of Education.

~~7.~~ 8. 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 basic support pursuant to this section.

**Sec. 10.** NRS 387.1233 is hereby amended to read as follows:

387.1233 1. On or before October 1, January 1, April 1 and July 1, each school district 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.

2. Except as otherwise provided in subsection 3, basic support of each school district must be computed by:

(a) Multiplying the basic support guarantee per pupil established for that school district for that school year by the sum of:

(1) Six-tenths the count of pupils enrolled in the kindergarten department, based on the average daily enrollment of those pupils during the quarter, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school.

(2) The count of pupils enrolled in grades 1 to 12, inclusive, based on the average daily enrollment of those pupils during the quarter, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school and the count of

pupils who are enrolled in a university school for profoundly gifted pupils located in the county.

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

(4) 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 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 (2).

(II) In a charter school and are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school, based on the average daily enrollment of those 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 (2).

(5) The count of pupils not included under subparagraph (1), (2), (3) or (4), who are receiving special education pursuant to the provisions of NRS 388.440 to 388.520, 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 subsection 1 of NRS 388.475.

(6) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of NRS 388.475, based on the average daily enrollment of those pupils during the quarter.

(7) 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.

(8) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 5 of NRS 386.560, subsection 5 of NRS 386.580 or subsection 3 of NRS 392.070,

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 (2).

(b) ~~[Multiplying the number of special education program units maintained and operated by the amount per program established for that school year.~~

~~—(c) Adding the amounts computed in [paragraphs] paragraph~~  
(a) . ~~[and (b).]~~

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 ~~[on the last day of the first school month of the school district for]~~ *based on the average daily enrollment of pupils during the quarter of* the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school ~~[on]~~ *based on the average daily enrollment of pupils during* the ~~[last day of the first school month of the school district for]~~ *same quarter of* the immediately preceding school year, the *enrollment of pupils during the same quarter of the* immediately preceding school year must be used for purposes of ~~[apportioning money]~~ *making the quarterly apportionments* from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.

4. If the Department determines that a school district or charter school deliberately causes a decline in the enrollment of pupils in the school district or charter school to receive a higher apportionment pursuant to subsection 2, 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 Distributive School Account to that school district or charter school pursuant to NRS 387.124.

5. 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. 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. Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing basic support pursuant to this section. The

average daily attendance for such pupils must be reported to the Department of Education.

8. 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 basic support pursuant to this section.

**Sec. 11.** NRS 387.1233 is hereby amended to read as follows:

387.1233 1. On or before October 1, January 1, April 1 and July 1, each school district 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.

2. Except as otherwise provided in subsection 3, basic support of each school district must be computed by:

(a) Multiplying the basic support guarantee per pupil established for that school district for that school year by the sum of:

(1) ~~Six tenths the count of pupils enrolled in the kindergarten department, based on the average daily enrollment of those pupils during the quarter, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school.~~

~~(2)~~ The count of pupils enrolled in *kindergarten and* grades 1 to 12, inclusive, based on the average daily enrollment of those pupils during the quarter, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school and the count of pupils who are enrolled in a university school for profoundly gifted pupils located in the county.

~~(3)~~ (2) The count of pupils not included under subparagraph (1) ~~or (2)~~ who are enrolled full-time in a program of distance education provided by that school district or a charter school located within that school district, based on the average daily enrollment of those pupils during the quarter.

~~(4)~~ (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 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 ~~(2)~~ (1).

(II) In a charter school and are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school, based on the average daily enrollment of those 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 ~~(2)~~ (1).

~~(5)~~ (4) The count of pupils not included under subparagraph (1), (2) ~~or~~ (3), ~~or (4)~~, who are receiving special education pursuant to the provisions of NRS 388.440 to 388.520, 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 subsection 1 of NRS 388.475.

~~(6)~~ (5) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of NRS 388.475, based on the average daily enrollment of those pupils during the quarter.

~~(7)~~ (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.

~~(8)~~ (7) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 5 of NRS 386.560, subsection 5 of NRS 386.580 or subsection 3 of NRS 392.070, 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 ~~(2)~~ (1).

(b) Adding the amounts computed in paragraph (a).

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 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, the enrollment of pupils during the same quarter of the immediately preceding school year must be used for purposes of making the quarterly apportionments from the State

Distributive School Account to that school district or charter school pursuant to NRS 387.124.

4. If the Department determines that a school district or charter school deliberately causes a decline in the enrollment of pupils in the school district or charter school to receive a higher apportionment pursuant to subsection 2, 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 Distributive School Account to that school district or charter school pursuant to NRS 387.124.

5. 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. 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. Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing basic support pursuant to this section. The average daily attendance for such pupils must be reported to the Department of Education.

8. 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 basic support pursuant to this section.

**Sec. 12.** NRS 387.124 is hereby amended to read as follows:

387.124 Except as otherwise provided in this section and NRS 387.528:

1. On or before August 1, November 1, February 1 and May 1 of each year, the Superintendent of Public Instruction shall apportion the State Distributive School Account in the State General Fund among the several county school districts, charter schools and university schools for profoundly gifted pupils in amounts approximating one-fourth of their respective yearly apportionments less any amount set aside as a reserve. Except as otherwise provided in NRS 387.1244, the apportionment to a school district, computed on a yearly basis, equals the difference between the basic support and the local funds available pursuant to NRS 387.1235, minus all the funds attributable to pupils who reside in the county but attend a charter school, all the funds attributable to pupils who reside in the county and are enrolled full-time or part-time in a program of

distance education provided by another school district or a charter school and all the funds attributable to pupils who are enrolled in a university school for profoundly gifted pupils located in the county. No apportionment may be made to a school district if the amount of the local funds exceeds the amount of basic support.

2. Except as otherwise provided in subsection 3 and NRS 387.1244, the apportionment to a charter school, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides minus the sponsorship fee prescribed by NRS 386.570 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. If the apportionment per pupil to a charter school is more than the amount to be apportioned to the school district in which a pupil who is enrolled in the charter school resides, the school district in which the pupil resides shall pay the difference directly to the charter school.

3. Except as otherwise provided in NRS 387.1244, the apportionment to a charter school that is sponsored by the State Public Charter School Authority or by a college or university within the Nevada System of Higher Education, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides, minus the sponsorship fee prescribed by NRS 386.570 and minus all 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.

4. Except as otherwise provided in NRS 387.1244, in addition to the apportionments made pursuant to this section, an apportionment must be made to a school district or charter school that provides a program of distance education for each pupil who is enrolled part-time in the program. The amount of the apportionment must be equal to the percentage of the total time services are provided to the pupil through the program of distance education per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (2) of paragraph (a) of subsection ~~4~~ 2 of NRS 387.1233 for the school district in which the pupil resides.

5. 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 subsection 1. 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 four apportionments in advance in its first year of operation.

6. Except as otherwise provided in NRS 387.1244, the apportionment to a university school for profoundly gifted pupils, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the university school is located plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the university school is located. If the apportionment per pupil to a university school for profoundly gifted pupils is more than the amount to be apportioned to the school district in which the university school is located, the school district shall pay the difference directly to the university school. 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. 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 four apportionments in advance in its first year of operation.

7. The Superintendent of Public Instruction 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.

8. If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, the State Controller may pay out the apportionments monthly, each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to

the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau documenting reasons for the action.

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

387.124 Except as otherwise provided in this section and NRS 387.528:

1. On or before August 1, November 1, February 1 and May 1 of each year, the Superintendent of Public Instruction shall apportion the State Distributive School Account in the State General Fund among the several county school districts, charter schools and university schools for profoundly gifted pupils in amounts approximating one-fourth of their respective yearly apportionments less any amount set aside as a reserve. Except as otherwise provided in NRS 387.1244, the apportionment to a school district, computed on a yearly basis, equals the difference between the basic support and the local funds available pursuant to NRS 387.1235, minus all the funds attributable to pupils who reside in the county but attend a charter school, all the funds attributable to pupils who reside in the county and are enrolled full-time or part-time in a program of distance education provided by another school district or a charter school and all the funds attributable to pupils who are enrolled in a university school for profoundly gifted pupils located in the county. No apportionment may be made to a school district if the amount of the local funds exceeds the amount of basic support.

2. Except as otherwise provided in subsection 3 and NRS 387.1244, the apportionment to a charter school, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides minus the sponsorship fee prescribed by NRS 386.570 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. If the apportionment per pupil to a charter school is more than the amount to be apportioned to the school district in which a pupil who is enrolled in the charter school resides, the school district in which the pupil resides shall pay the difference directly to the charter school.

3. Except as otherwise provided in NRS 387.1244, the apportionment to a charter school that is sponsored by the State Public Charter School Authority or by a college or university within the Nevada System of Higher Education, computed on a yearly

basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides, minus the sponsorship fee prescribed by NRS 386.570 and minus all 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.

4. Except as otherwise provided in NRS 387.1244, in addition to the apportionments made pursuant to this section, an apportionment must be made to a school district or charter school that provides a program of distance education for each pupil who is enrolled part-time in the program. The amount of the apportionment must be equal to the percentage of the total time services are provided to the pupil through the program of distance education per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph ~~(2)~~ (1) of paragraph (a) of subsection 2 of NRS 387.1233 for the school district in which the pupil resides.

5. 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 subsection 1. 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 four apportionments in advance in its first year of operation.

6. Except as otherwise provided in NRS 387.1244, the apportionment to a university school for profoundly gifted pupils, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the university school is located plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the university school is located. If the apportionment per pupil to a university school for profoundly gifted pupils is more than the amount to be apportioned to the school district in which the university school is located, the school district shall pay the difference directly to the university school. 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. 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 four apportionments in advance in its first year of operation.

7. The Superintendent of Public Instruction 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.

8. If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, the State Controller may pay out the apportionments monthly, each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau documenting reasons for the action.

**Sec. 14.** NRS 387.1243 is hereby amended to read as follows:

387.1243 1. The first apportionment based on an estimated number of pupils and special education program units and succeeding apportionments are subject to adjustment from time to time as the need therefor may appear, including, without limitation, an adjustment made for a pupil who is not properly enrolled in or attending a public school, as determined through an independent audit or other examination conducted pursuant to NRS 387.126 or through an annual audit of the count of pupils conducted pursuant to subsection 1 of NRS 387.304.

2. The apportionments to a school district may be adjusted during a fiscal year by the Department of Education, upon approval by the State Board of Examiners and the Interim Finance Committee, if the Department of Taxation and the county assessor in the county in which the school district is located certify to the Department of Education that the school district will not receive the tax levied pursuant to subsection 1 of NRS 387.195 on property of the Federal Government located within the county if:

(a) The leasehold interest, possessory interest, beneficial interest or beneficial use of the property is subject to taxation pursuant to

NRS 361.157 and 361.159 and one or more lessees or users of the property are delinquent in paying the tax; and

(b) The total amount of tax owed but not paid for the fiscal year by any such lessees and users is at least 5 percent of the proceeds that the school district would have received from the tax levied pursuant to subsection 1 of NRS 387.195.

↳ If a lessee or user pays the tax owed after the school district's apportionment has been increased in accordance with the provisions of this subsection to compensate for the tax owed, the school district shall repay to the State Distributive School Account in the State General Fund an amount equal to the tax received from the lessee or user for the year in which the school district received an increased apportionment, not to exceed the increase in apportionments made to the school district pursuant to this subsection.

3. On or before August 1 of each year, the board of trustees of a school district shall provide to the Department, in a format prescribed by the Department, the count of pupils calculated pursuant to subparagraph (8) of paragraph (a) of subsection ~~H~~ 2 of NRS 387.1233 who completed at least one semester during the immediately preceding school year. ~~The count of pupils submitted to the Department must be included in the final adjustment computed pursuant to subsection 4.~~

~~—4.— A final adjustment for each school district, charter school and university school for profoundly gifted pupils must be computed as soon as practicable following the close of the school year, but not later than August 25. The final computation must be based upon the actual counts of pupils required to be made for the computation of basic support and the limits upon the support of special education programs, except that for any year when the total enrollment of pupils and children in a school district, a charter school located within the school district or a university school for profoundly gifted pupils located within the school district described in paragraphs (a), (b), (c) and (e) of subsection 1 of NRS 387.123 is greater on the last day of any school month of the school district after the second school month of the school district and the increase in enrollment shows at least:~~

~~—(a) A 3 percent gain, basic support as computed from first-month enrollment for the school district, charter school or university school for profoundly gifted pupils must be increased by 2 percent.~~

~~—(b) A 6 percent gain, basic support as computed from first-month enrollment for the school district, charter school or university school for profoundly gifted pupils must be increased by an additional 2 percent.~~

~~—5.]~~ 4. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils exceeds the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the additional amount due must be paid before September 1. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils is less than the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the difference must be repaid to the State Distributive School Account in the State General Fund by the school district, charter school or university school for profoundly gifted pupils before September 25.

**Sec. 15.** NRS 387.1243 is hereby amended to read as follows:

387.1243 1. The first apportionment based on an estimated number of pupils ~~{and special education program units}~~ and succeeding apportionments are subject to adjustment from time to time as the need therefor may appear, including, without limitation, an adjustment made for a pupil who is not properly enrolled in or attending a public school, as determined through an independent audit or other examination conducted pursuant to NRS 387.126 or through an annual audit of the count of pupils conducted pursuant to subsection 1 of NRS 387.304.

2. The apportionments to a school district may be adjusted during a fiscal year by the Department of Education, upon approval by the State Board of Examiners and the Interim Finance Committee, if the Department of Taxation and the county assessor in the county in which the school district is located certify to the Department of Education that the school district will not receive the tax levied pursuant to subsection 1 of NRS 387.195 on property of the Federal Government located within the county if:

(a) The leasehold interest, possessory interest, beneficial interest or beneficial use of the property is subject to taxation pursuant to NRS 361.157 and 361.159 and one or more lessees or users of the property are delinquent in paying the tax; and

(b) The total amount of tax owed but not paid for the fiscal year by any such lessees and users is at least 5 percent of the proceeds that the school district would have received from the tax levied pursuant to subsection 1 of NRS 387.195.

➔ If a lessee or user pays the tax owed after the school district's apportionment has been increased in accordance with the provisions of this subsection to compensate for the tax owed, the school district shall repay to the State Distributive School Account in the State

General Fund an amount equal to the tax received from the lessee or user for the year in which the school district received an increased apportionment, not to exceed the increase in apportionments made to the school district pursuant to this subsection.

3. On or before August 1 of each year, the board of trustees of a school district shall provide to the Department, in a format prescribed by the Department, the count of pupils calculated pursuant to subparagraph (8) of paragraph (a) of subsection 2 of NRS 387.1233 who completed at least one semester during the immediately preceding school year.

4. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils exceeds the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the additional amount due must be paid before September 1. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils is less than the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the difference must be repaid to the State Distributive School Account in the State General Fund by the school district, charter school or university school for profoundly gifted pupils before September 25.

**Sec. 16.** NRS 387.1243 is hereby amended to read as follows:

387.1243 1. The first apportionment based on an estimated number of pupils and succeeding apportionments are subject to adjustment from time to time as the need therefor may appear, including, without limitation, an adjustment made for a pupil who is not properly enrolled in or attending a public school, as determined through an independent audit or other examination conducted pursuant to NRS 387.126 or through an annual audit of the count of pupils conducted pursuant to subsection 1 of NRS 387.304.

2. The apportionments to a school district may be adjusted during a fiscal year by the Department of Education, upon approval by the State Board of Examiners and the Interim Finance Committee, if the Department of Taxation and the county assessor in the county in which the school district is located certify to the Department of Education that the school district will not receive the tax levied pursuant to subsection 1 of NRS 387.195 on property of the Federal Government located within the county if:

(a) The leasehold interest, possessory interest, beneficial interest or beneficial use of the property is subject to taxation pursuant to

NRS 361.157 and 361.159 and one or more lessees or users of the property are delinquent in paying the tax; and

(b) The total amount of tax owed but not paid for the fiscal year by any such lessees and users is at least 5 percent of the proceeds that the school district would have received from the tax levied pursuant to subsection 1 of NRS 387.195.

↳ If a lessee or user pays the tax owed after the school district's apportionment has been increased in accordance with the provisions of this subsection to compensate for the tax owed, the school district shall repay to the State Distributive School Account in the State General Fund an amount equal to the tax received from the lessee or user for the year in which the school district received an increased apportionment, not to exceed the increase in apportionments made to the school district pursuant to this subsection.

3. On or before August 1 of each year, the board of trustees of a school district shall provide to the Department, in a format prescribed by the Department, the count of pupils calculated pursuant to subparagraph ~~[(8)]~~ (7) of paragraph (a) of subsection 2 of NRS 387.1233 who completed at least one semester during the immediately preceding school year.

4. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils exceeds the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the additional amount due must be paid before September 1. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils is less than the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the difference must be repaid to the State Distributive School Account in the State General Fund by the school district, charter school or university school for profoundly gifted pupils before September 25.

**Sec. 16.5.** NRS 387.1244 is hereby amended to read as follows:

387.1244 1. The Superintendent of Public Instruction may deduct from an apportionment otherwise payable to a school district, charter school or university school for profoundly gifted pupils pursuant to NRS 387.124 if the school district, charter school or university school:

(a) Fails to repay an amount due pursuant to subsection ~~[(5)]~~ 4 of NRS 387.1243. The amount of the deduction from the quarterly apportionment must correspond to the amount due.

(b) Fails to repay an amount due the Department as a result of a determination that an expenditure was made which violates the terms of a grant administered by the Department. The amount of the deduction from the quarterly apportionment must correspond to the amount due.

(c) Pays a claim determined to be unearned, illegal or unreasonably excessive as a result of an investigation conducted pursuant to NRS 387.3037. The amount of the deduction from the quarterly apportionment must correspond to the amount of the claim which is determined to be unearned, illegal or unreasonably excessive.

↪ More than one deduction from a quarterly apportionment otherwise payable to a school district, charter school or university school for profoundly gifted pupils may be made pursuant to this subsection if grounds exist for each such deduction.

2. The Superintendent of Public Instruction may authorize the withholding of the entire amount of an apportionment otherwise payable to a school district, charter school or university school for profoundly gifted pupils pursuant to NRS 387.124, or a portion thereof, if the school district, charter school or university school for profoundly gifted pupils fails to submit a report or other information that is required to be submitted to the Superintendent, State Board or Department pursuant to a statute. If a charter school fails to submit a report or other information that is required to be submitted to the Superintendent, State Board or Department through the sponsor of the charter school pursuant to a statute, the Superintendent may only authorize the withholding of the apportionment otherwise payable to the charter school and may not authorize the withholding of the apportionment otherwise payable to the sponsor of the charter school. Before authorizing a withholding pursuant to this subsection, the Superintendent of Public Instruction shall provide notice to the school district, charter school or university school for profoundly gifted pupils of the report or other information that is due and provide the school district, charter school or university school with an opportunity to comply with the statute. Any amount withheld pursuant to this subsection must be accounted for separately in the State Distributive School Account, does not revert to the State General Fund at the end of a fiscal year and must be carried forward to the next fiscal year.

3. If, after an amount is withheld pursuant to subsection 2, the school district, charter school or university school for profoundly gifted pupils subsequently submits the report or other information required by a statute for which the withholding was made, the

Superintendent of Public Instruction shall immediately authorize the payment of the amount withheld to the school district, charter school or university school for profoundly gifted pupils.

4. A school district, charter school or university school for profoundly gifted pupils may appeal to the State Board a decision of the Superintendent of Public Instruction to deduct or withhold from a quarterly apportionment pursuant to this section. The Secretary of the State Board shall place the subject of the appeal on the agenda of the next meeting for consideration by the State Board.

**Sec. 17.** NRS 387.191 is hereby amended to read as follows:

387.191 1. Except as otherwise provided in this subsection, the proceeds of the tax imposed pursuant to NRS 244.33561 and any applicable penalty or interest must be paid by the county treasurer to the State Treasurer for credit to the State Supplemental School Support Account, which is hereby created in the State General Fund. The county treasurer may retain from the proceeds an amount sufficient to reimburse the county for the actual cost of collecting and administering the tax, to the extent that the county incurs any cost it would not have incurred but for the enactment of this section or NRS 244.33561, but in no case exceeding the amount authorized by statute for this purpose. Any interest or other income earned on the money in the State Supplemental School Support Account must be credited to the Account.

2. On and after July 1, 2015, the money in the State Supplemental School Support Account is hereby appropriated for the operation of the school districts and charter schools of the state, as provided in this section. The money so appropriated is intended to supplement and not replace any other money appropriated, approved or authorized for expenditure to fund the operation of the public schools for kindergarten through grade 12. Any money that remains in the State Supplemental School Support Account at the end of the fiscal year does not revert to the State General Fund, and the balance in the State Supplemental School Support Account must be carried forward to the next fiscal year.

3. On or before February 1, May 1, August 1 and November 1 of 2016, and on those dates each year thereafter, the Superintendent of Public Instruction shall transfer from the State Supplemental School Support Account all the proceeds of the tax imposed pursuant to NRS 244.33561, including any interest or other income earned thereon, and distribute the proceeds proportionally among the school districts and charter schools of the state. The proportionate amount of money distributed to each school district or charter school must be determined by dividing the number of

students enrolled in the school district or charter school by the number of students enrolled in all the school districts and charter schools of the state. For the purposes of this subsection, the enrollment in each school district and the number of students who reside in the district and are enrolled in a charter school must be determined as of ~~the last day of the first school month~~ *each quarter* of the ~~school district for the~~ school year. This determination governs the distribution of money pursuant to this subsection until the next ~~annual~~ *quarterly* determination of enrollment is made. The Superintendent may retain from the proceeds of the tax an amount sufficient to reimburse the Superintendent for the actual cost of administering the provisions of this section, to the extent that the Superintendent incurs any cost the Superintendent would not have incurred but for the enactment of this section, but in no case exceeding the amount authorized by statute for this purpose.

4. The money received by a school district or charter school from the State Supplemental School Support Account pursuant to this section must be used to improve the achievement of students and for the payment of salaries to attract and retain qualified teachers and other employees, except administrative employees, of the school district or charter school. Nothing contained in this section shall be deemed to impair or restrict the right of employees of the school district or charter school to engage in collective bargaining as provided by chapter 288 of NRS.

5. On or before November 10 of 2016, and on that date each year thereafter, the board of trustees of each school district and the governing body of each charter school shall prepare a report to the Superintendent of Public Instruction, in the form prescribed by the Superintendent. The report must provide an accounting of the expenditures by the school district or charter school of the money it received from the State Supplemental School Support Account during the preceding fiscal year.

6. As used in this section, "administrative employee" means any person who holds a license as an administrator, issued by the Superintendent of Public Instruction, and is employed in that capacity by a school district or charter school.

**Sec. 18.** NRS 387.303 is hereby amended to read as follows:

387.303 1. Not later than November 1 of each year, the board of trustees of each school district shall submit to the Superintendent of Public Instruction and the Department of Taxation a report which includes the following information:

(a) For each fund within the school district, including, without limitation, the school district's general fund and any special revenue fund which receives state money, the total number and salaries of licensed and nonlicensed persons whose salaries are paid from the fund and who are employed by the school district in full-time positions or in part-time positions added together to represent full-time positions. Information must be provided for the current school year based upon the school district's final budget, including any amendments and augmentations thereto, and for the preceding school year. An employee must be categorized as filling an instructional, administrative, instructional support or other position.

(b) The school district's actual expenditures in the fiscal year immediately preceding the report.

(c) The school district's proposed expenditures for the current fiscal year.

(d) The schedule of salaries for licensed employees in the current school year and a statement of whether the negotiations regarding salaries for the current school year have been completed. If the negotiations have not been completed at the time the schedule of salaries is submitted, the board of trustees shall submit a supplemental report to the Superintendent of Public Instruction upon completion of negotiations or the determination of an arbitrator concerning the negotiations that includes the schedule of salaries agreed to or required by the arbitrator.

(e) The number of employees who received an increase in salary pursuant to subsection 2, 3 or 4 of NRS 391.160 for the current and preceding fiscal years. If the board of trustees is required to pay an increase in salary retroactively pursuant to subsection 2 of NRS 391.160, the board of trustees shall submit a supplemental report to the Superintendent of Public Instruction not later than February 15 of the year in which the retroactive payment was made that includes the number of teachers to whom an increase in salary was paid retroactively.

(f) The number of employees eligible for health insurance within the school district for the current and preceding fiscal years and the amount paid for health insurance for each such employee during those years.

(g) The rates for fringe benefits, excluding health insurance, paid by the school district for its licensed employees in the preceding and current fiscal years.

(h) The amount paid for extra duties, supervision of extracurricular activities and supplemental pay and the number of

employees receiving that pay in the preceding and current fiscal years.

(i) The expenditures from the account created pursuant to subsection 4 of NRS 179.1187. The report must indicate the total amount received by the district in the preceding fiscal year and the specific amount spent on books and computer hardware and software for each grade level in the district.

2. On or before November 25 of each year, the Superintendent of Public Instruction shall submit to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, in a format approved by the Director of the Department of Administration, a compilation of the reports made by each school district pursuant to subsection 1.

3. In preparing the agency biennial budget request for the State Distributive School Account for submission to the Department of Administration, the Superintendent of Public Instruction:

(a) Shall compile the information from the most recent compilation of reports submitted pursuant to subsection 2;

(b) May increase the line items of expenditures or revenues based on merit salary increases and cost of living adjustments or inflation, as deemed credible and reliable based upon published indexes and research relevant to the specific line item of expenditure or revenue;

(c) May adjust expenditures and revenues pursuant to paragraph (b) for any year remaining before the biennium for which the budget is being prepared and for the 2 years of the biennium covered by the biennial budget request to project the cost of expenditures or the receipt of revenues for the specific line items; *and*

(d) May consider the cost of enhancements to existing programs or the projected cost of proposed new educational programs, regardless of whether those enhancements or new programs are included in the per pupil basic support guarantee for inclusion in the biennial budget request to the Department of Administration. ~~;~~ *and*

~~—(e) Shall obtain approval from the State Board for any inflationary increase, enhancement to an existing program or addition of a new program included in the agency biennial budget request.]~~

4. The Superintendent of Public Instruction shall, in the compilation required by subsection 2, reconcile the revenues of the school districts with the apportionment received by those districts from the State Distributive School Account for the preceding year.

5. The request prepared pursuant to subsection 3 must:

(a) Be presented by the Superintendent of Public Instruction to such standing committees of the Legislature as requested by the standing committees for the purposes of developing educational programs and providing appropriations for those programs; and

(b) Provide for a direct comparison of appropriations to the proposed budget of the Governor submitted pursuant to subsection 4 of NRS 353.230.

**Sec. 19.** NRS 387.304 is hereby amended to read as follows:

387.304 The Department shall:

1. Conduct an annual audit of the count of pupils for apportionment purposes reported *each quarter* by each school district pursuant to NRS 387.123 and the data reported by each school district pursuant to NRS 388.710 that is used to measure the effectiveness of the implementation of a plan developed by each school district to reduce the pupil-teacher ratio as required by NRS 388.720.

2. Review each school district's report of the annual audit conducted by a public accountant as required by NRS 354.624, and the annual report prepared by each district as required by NRS 387.303, and report the findings of the review to the State Board and the Legislative Committee on Education, with any recommendations for legislation, revisions to regulations or training needed by school district employees. The report by the Department must identify school districts which failed to comply with any statutes or administrative regulations of this State or which had any:

(a) Long-term obligations in excess of the general obligation debt limit;

(b) Deficit fund balances or retained earnings in any fund;

(c) Deficit cash balances in any fund;

(d) Variances of more than 10 percent between total general fund revenues and budgeted general fund revenues; or

(e) Variances of more than 10 percent between total actual general fund expenditures and budgeted total general fund expenditures.

3. In preparing its biennial budgetary request for the State Distributive School Account, consult with the superintendent of schools of each school district or a person designated by the superintendent.

4. Provide, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, training to the financial officers of school districts in matters relating to financial accountability.

**Sec. 20.** NRS 388.450 is hereby amended to read as follows:

388.450 1. The Legislature declares that ~~[the basic support guarantee for each special education program unit established by law]~~ *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 the multiplier to the basic support guarantee prescribed by NRS 387.122* and *to* gifted and talented pupils residing in Nevada.

2. Subject to the provisions of NRS 388.440 to 388.520, 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 and gifted and talented pupils.

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 388.440 to 388.520, 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. 21.** NRS 388.700 is hereby amended to read as follows:

388.700 1. Except as otherwise provided in this section, for each school quarter of a school year, the ratio in each school district of pupils per licensed teacher designated to teach, on a full-time basis, in classes where core curriculum is taught:

(a) In kindergarten and grades 1 and 2, must not exceed 16 to 1, and in grade 3, must not exceed 18 to 1; or

(b) If a plan is approved pursuant to subsection 3 of NRS 388.720, must not exceed the ratio set forth in that plan for the grade levels specified in the plan.

↳ In determining this ratio, all licensed educational personnel who teach a grade level specified in paragraph (a) or a grade level specified in a plan that is approved pursuant to subsection 3 of NRS 388.720, as applicable for the school district, must be counted except teachers of art, music, physical education or special education, teachers who teach one or two specific subject areas to more than one classroom of pupils, and counselors, librarians, administrators, deans and specialists.

2. A school district may, within the limits of any plan adopted pursuant to NRS 388.720, assign a pupil whose enrollment in a grade occurs after the ~~last day of the first month~~ *end of a quarter during* the school year to any existing class regardless of the number of pupils in the class if the school district requests and is approved for a variance from the State Board pursuant to subsection 4.

3. Each school district that includes one or more elementary schools which exceed the ratio of pupils per class during any quarter of a school year, as reported to the Department pursuant to NRS 388.725:

(a) Set forth in subsection 1;

(b) Prescribed in conjunction with a legislative appropriation for the support of the class-size reduction program; or

(c) Defined by a legislatively approved alternative class-size reduction plan, if applicable to that school district,

↳ must request a variance for each such school for the next quarter of the current school year if a quarter remains in that school year or for the next quarter of the succeeding school year, as applicable, from the State Board by providing a written statement that includes the reasons for the request and the justification for exceeding the applicable prescribed ratio of pupils per class.

4. The State Board may grant to a school district a variance from the limitation on the number of pupils per class set forth in paragraph (a), (b) or (c) of subsection 3 for good cause, including the lack of available financial support specifically set aside for the reduction of pupil-teacher ratios.

5. The State Board shall, on a quarterly basis, submit a report to the Interim Finance Committee on each variance requested by a school district pursuant to subsection 4 during the preceding quarter and, if a variance was granted, an identification of each elementary school for which a variance was granted and the specific justification for the variance.

6. The State Board shall, on or before February 1 of each odd-numbered year, submit a report to the Legislature on:

(a) Each variance requested by a school district pursuant to subsection 4 during the preceding biennium and, if a variance was granted, an identification of each elementary school for which variance was granted and the specific justification for the variance.

(b) The data reported to it by the various school districts pursuant to subsection 2 of NRS 388.710, including an explanation of that data, and the current pupil-teacher ratios per class in the grade levels specified in paragraph (a) of subsection 1 or the grade

levels specified in a plan that is approved pursuant to subsection 3 of NRS 388.720, as applicable for the school district.

7. The Department shall, on or before November 15 of each year, report to the Chief of the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau:

(a) The number of teachers employed;  
(b) The number of teachers employed in order to attain the ratio required by subsection 1;

(c) The number of pupils enrolled; and

(d) The number of teachers assigned to teach in the same classroom with another teacher or in any other arrangement other than one teacher assigned to one classroom of pupils,

↳ during the current school year in the grade levels specified in paragraph (a) of subsection 1 or the grade levels specified in a plan that is approved pursuant to subsection 3 of NRS 388.720, as applicable, for each school district.

8. The provisions of this section do not apply to a charter school or to a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive.

**Sec. 22.** NRS 392A.083 is hereby amended to read as follows:

392A.083 1. Each pupil who is enrolled in a university school for profoundly gifted pupils, including, without limitation, a pupil who is enrolled in a program of special education in a university school for profoundly gifted pupils, must be included in the count of pupils in the school district in which the school is located for the purposes of apportionments and allowances from the State Distributive School Account pursuant to NRS 387.121 to 387.126, inclusive, unless the pupil is exempt from compulsory school attendance pursuant to NRS 392.070.

2. A university school for profoundly gifted pupils is entitled to receive its proportionate share of any other money available from federal, state or local sources that the school or the pupils who are enrolled in the school are eligible to receive.

3. If a university school for profoundly gifted pupils receives money for special education program units directly from this State, the amount of money for special education that the school district pays to the university school for profoundly gifted pupils may be reduced proportionately by the amount of money the university school received from this State for that purpose.

4. All money received by a university school for profoundly gifted pupils from this State or from the board of trustees of a school

district must be deposited in an account with a bank, credit union or other financial institution in this State.

5. The governing body of a university school for profoundly gifted pupils may negotiate with the board of trustees of the school district in which the school is located or the State Board for additional money to pay for services that the governing body wishes to offer.

6. To determine the amount of money for distribution to a university school for profoundly gifted pupils in its first year of operation in which state funding is provided, the count of pupils who are enrolled in the university school must initially be determined 30 days before the beginning of the school year of the school district in which the university school is located, based upon the number of pupils whose applications for enrollment have been approved by the university school. The count of pupils who are enrolled in a university school for profoundly gifted pupils must be revised ~~on the last day of the first school month of the school district in which the university school is located for the school year,~~ *each quarter* based upon the ~~actual number~~ *average daily enrollment* of pupils ~~who are enrolled~~ in the university school ~~reported for the preceding quarter pursuant to subsection 1 of NRS 387.1233.~~

7. Pursuant to subsection 6 of NRS 387.124, the governing body of a university school for profoundly gifted pupils may request that the apportionments made to the university school in its first year of operation be paid to the university school 30 days before the apportionments are otherwise required to be made.

8. If a university school for profoundly gifted pupils ceases to operate pursuant to this chapter during a school year, the remaining apportionments that would have been made to the university school pursuant to NRS 387.124 for that school year must be paid on a proportionate basis to the school districts where the pupils who were enrolled in the university school reside.

9. If the governing body of a university school for profoundly gifted pupils uses money received from this State to purchase real property, buildings, equipment or facilities, the governing body of the university school shall assign a security interest in the property, buildings, equipment and facilities to the State of Nevada.

**Sec. 23.** NRS 392A.083 is hereby amended to read as follows:

392A.083 1. Each pupil who is enrolled in a university school for profoundly gifted pupils, including, without limitation, a pupil who is enrolled in a program of special education in a university school for profoundly gifted pupils, must be included in

the count of pupils in the school district in which the school is located for the purposes of apportionments and allowances from the State Distributive School Account pursuant to NRS 387.121 to 387.126, inclusive, unless the pupil is exempt from compulsory school attendance pursuant to NRS 392.070.

2. A university school for profoundly gifted pupils is entitled to receive its proportionate share of any other money available from federal, state or local sources that the school or the pupils who are enrolled in the school are eligible to receive.

3. ~~If a university school for profoundly gifted pupils receives money for special education program units directly from this State, the amount of money for special education that the school district pays to the university school for profoundly gifted pupils may be reduced proportionately by the amount of money the university school received from this State for that purpose.~~

~~4.]~~ All money received by a university school for profoundly gifted pupils from this State or from the board of trustees of a school district must be deposited in an account with a bank, credit union or other financial institution in this State.

~~5.]~~ 4. The governing body of a university school for profoundly gifted pupils may negotiate with the board of trustees of the school district in which the school is located or the State Board for additional money to pay for services that the governing body wishes to offer.

~~6.]~~ 5. To determine the amount of money for distribution to a university school for profoundly gifted pupils in its first year of operation in which state funding is provided, the count of pupils who are enrolled in the university school must initially be determined 30 days before the beginning of the school year of the school district in which the university school is located, based upon the number of pupils whose applications for enrollment have been approved by the university school. The count of pupils who are enrolled in a university school for profoundly gifted pupils must be revised each quarter based upon the average daily enrollment of pupils in the university school reported for the preceding quarter pursuant to subsection 1 of NRS 387.1233.

~~7.]~~ 6. Pursuant to subsection 6 of NRS 387.124, the governing body of a university school for profoundly gifted pupils may request that the apportionments made to the university school in its first year of operation be paid to the university school 30 days before the apportionments are otherwise required to be made.

~~8.]~~ 7. If a university school for profoundly gifted pupils ceases to operate pursuant to this chapter during a school year, the

remaining apportionments that would have been made to the university school pursuant to NRS 387.124 for that school year must be paid on a proportionate basis to the school districts where the pupils who were enrolled in the university school reside.

~~9.]~~ 8. If the governing body of a university school for profoundly gifted pupils uses money received from this State to purchase real property, buildings, equipment or facilities, the governing body of the university school shall assign a security interest in the property, buildings, equipment and facilities to the State of Nevada.

**Sec. 24.** Chapter 395 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. The Contingency Account for 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. The interest and income earned on the sum of:*

*(a) The money in the Account; and*

*(b) Unexpended appropriations made to the Account from the State General Fund,*

*↪ must be credited to the Account. 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.*

*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. 25.** NRS 395.070 is hereby amended to read as follows:

395.070 1. The Interagency Panel is hereby created. The Panel is responsible for making recommendations concerning the placement of persons with disabilities who are eligible to receive benefits pursuant to this chapter. The Panel consists of:

- (a) The Administrator of the Division of Child and Family Services of the Department of Health and Human Services;
- (b) The Administrator of the Division of Public and Behavioral Health of the Department of Health and Human Services;
- (c) The Director of the Department of Health and Human Services; and
- (d) The Superintendent of Public Instruction.

2. A member of the Panel may designate a person to represent him or her at any meeting of the Panel. The person designated may exercise all the duties, rights and privileges of the member he or she represents.

3. The Panel shall ~~;~~:

~~— (a) Every time a person with a disability is to be placed pursuant to subsection 2 of NRS 395.010 in a foster home or residential facility, meet to determine the needs of the person and the availability of homes or facilities under the authority of the Department of Health and Human Services after a joint evaluation of that person is completed by the Department of Education and the Department of Health and Human Services;~~

~~— (b) Determine the appropriate placement of the person, giving priority to homes or facilities under the authority of the Department of Health and Human Services over any home or facility located outside of this State; and~~

~~— (c) Make a recommendation concerning the placement of the person.]~~ ***perform such duties as prescribed by the State Board.***

**Sec. 26.** NRS 354.598005 is hereby amended to read as follows:

354.598005 1. If anticipated resources actually available during a budget period exceed those estimated, a local government may augment a budget in the following manner:

- (a) If it is desired to augment the appropriations of a fund to which ad valorem taxes are allocated as a source of revenue, the governing body shall, by majority vote of all members of the governing body, adopt a resolution reciting the appropriations to be augmented, and the nature of the unanticipated resources intended to be used for the augmentation. Before the adoption of the resolution, the governing body shall publish notice of its intention to act thereon in a newspaper of general circulation in the county for at

least one publication. No vote may be taken upon the resolution until 3 days after the publication of the notice.

(b) If it is desired to augment the budget of any fund other than a fund described in paragraph (a) or an enterprise or internal service fund, the governing body shall adopt, by majority vote of all members of the governing body, a resolution providing therefor at a regular meeting of the body.

2. A budget augmentation becomes effective upon delivery to the Department of Taxation of an executed copy of the resolution providing therefor.

3. Nothing in NRS 354.470 to 354.626, inclusive, precludes the amendment of a budget by increasing the total appropriation for any fiscal year to include a grant-in-aid, gift or bequest to a local unit of government which is required to be used for a specific purpose as a condition of the grant. Acceptance of such a grant and agreement to the terms imposed by the granting agency or person constitutes an appropriation to the purpose specified.

4. A local government need not file an augmented budget for an enterprise or internal service fund with the Department of Taxation but shall include the budget augmentation in the next quarterly report.

5. Budget appropriations may be transferred between functions, funds or contingency accounts in the following manner, if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions:

(a) The person designated to administer the budget for a local government may transfer appropriations within any function.

(b) The person designated to administer the budget may transfer appropriations between functions or programs within a fund, if:

(1) The governing body is advised of the action at the next regular meeting; and

(2) The action is recorded in the official minutes of the meeting.

(c) Upon recommendation of the person designated to administer the budget, the governing body may authorize the transfer of appropriations between funds or from the contingency account, if:

(1) The governing body announces the transfer of appropriations at a regularly scheduled meeting and sets forth the exact amounts to be transferred and the accounts, functions, programs and funds affected;

(2) The governing body sets forth its reasons for the transfer; and

(3) The action is recorded in the official minutes of the meeting.

6. In any year in which the Legislature by law increases or decreases the revenues of a local government, and that increase or decrease was not included or anticipated in the local government's final budget as adopted pursuant to NRS 354.598, the governing body of any such local government may, within 30 days of adjournment of the legislative session, file an amended budget with the Department of Taxation increasing or decreasing its anticipated revenues and expenditures from that contained in its final budget to the extent of the actual increase or decrease of revenues resulting from the legislative action.

7. In any year in which the Legislature enacts a law requiring an increase or decrease in expenditures of a local government, which was not anticipated or included in its final budget as adopted pursuant to NRS 354.598, the governing body of any such local government may, within 30 days of adjournment of the legislative session, file an amended budget with the Department of Taxation providing for an increase or decrease in expenditures from that contained in its final budget to the extent of the actual amount made necessary by the legislative action.

8. An amended budget, as approved by the Department of Taxation, is the budget of the local government for the current fiscal year.

9. On or before January 1 of each school year, each school district shall adopt an amendment to its final budget after the ~~count~~ *average daily enrollment* of pupils is ~~completed~~ *reported for the preceding quarter* pursuant to subsection 1 of NRS 387.1233. The amendment must reflect any adjustments necessary as a result of the ~~completed count of pupils.~~ *report.*

**Sec. 27.** NRS 701B.350 is hereby amended to read as follows:

701B.350 1. The Renewable Energy School Pilot Program is hereby created. The goal of the Program is to encourage the development of and determine the feasibility for the integration of renewable energy systems on school properties.

2. The Commission shall adopt regulations for the Program. Such regulations shall include, but not be limited to:

- (a) A time frame for implementation of the Program;
- (b) The allowed renewable energy systems and combinations of such renewable energy systems on school property;
- (c) The amount of capacity that may be installed at each school property that participates in the Program;

(d) A process by which a school district may apply for participation in the Program;

(e) Requirements for participation by a school district;

(f) The type of transactions allowed between a renewable energy system generator, a school district and a utility;

(g) Incentives which may be provided to a school district or school property to encourage participation; and

(h) Such other parameters as determined by the Commission and are consistent with the development of renewable energy systems at school properties.

3. The Program shall be limited to 10 school properties. Not more than 6 school properties from any one school district may participate in the Program.

4. The Commission shall adopt the regulations necessary to implement the Program not later than March 1, 2008.

5. The Commission shall prepare a report detailing the results of the Program and shall submit the report to the Legislature by December 1, 2008.

6. As used in this section:

(a) "Commission" means the Public Utilities Commission of Nevada.

(b) "Owned, leased or occupied" includes, without limitation, any real property, building or facilities which are owned, leased or occupied under a deed, lease, contract, license, permit, grant, patent or any other type of legal authorization.

(c) "Renewable energy system" has the meaning ascribed to it in NRS 704.7815.

(d) "School district" ~~[has the meaning ascribed to it in NRS 395.0075.]~~ *means a county school district created pursuant to chapter 386 of NRS.*

(e) "School property" means any real property, building or facilities which are owned, leased or occupied by a public school as defined in NRS 385.007.

(f) "Utility" has the meaning ascribed to it in NRS 701B.180.

**Sec. 28.** 1. As soon as practicable after the effective date of this section, the Department of Education shall develop a plan to provide additional resources to the Nevada Plan expressed as a multiplier of the basic support guarantee to meet the unique needs of pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils. In developing the plan, the Department of Education shall review and consider the recommendations made by the Task Force on K-12 Public

Education Funding created by chapter 500, Statutes of Nevada 2013, at page 3181. The plan must include, without limitation:

(a) The amount of the multiplier to the basic support guarantee to be used for each such category of pupils; and

(b) The date by which the plan should be implemented or phased in, with full implementation occurring not later than Fiscal Year 2021-2022.

2. The Department of Education shall submit the plan developed pursuant to subsection 1 to the Legislative Committee on Education for its review and consideration during the 2015-2016 interim. The Legislative Committee on Education shall:

(a) Review and consider the recommendations made by the Task Force on K-12 Public Education Funding created by chapter 500, Statutes of Nevada 2013, at page 3181;

(b) Consider the appropriateness and likely effectiveness of the plan developed pursuant to subsection 1 in meeting the unique needs of pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils; and

(c) On or before October 1, 2016, submit a report to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 79th Session of the Legislature that includes, without limitation:

(1) Any provision of the plan developed pursuant to subsection 1 that should be implemented or phased in, with full implementation occurring not later than Fiscal Year 2021-2022;

(2) The amount of the multiplier to the basic support guarantee to be used for each category of pupils addressed by the plan; and

(3) Any recommendations for legislation.

3. On or before October 1, 2016, the Superintendent of Public Instruction shall submit to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 79th Session of the Nevada Legislature:

(a) A report of the per pupil expenditures associated with legislative appropriations for pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils.

(b) Any recommendations for legislation to address the unique needs of pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils.

4. During the 2017-2019 biennium and the 2019-2021 biennium, the Department of Education shall review and, if necessary, revise the plan developed pursuant to subsection 1 based

upon data available on the costs and expenditures associated with meeting the unique needs of pupils with disabilities, pupils who are limited English proficient, pupils who are at risk and gifted and talented pupils. The Department shall submit any revisions to the plan after its review to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature following the 2017-2019 and 2019-2021 bienniums, respectively.

5. As used in this section, “pupils who are at risk” means a pupil who is eligible for free or reduced-price lunch pursuant to 42 U.S.C. §§ 1751 et seq., or an alternative measure prescribed by the State Board of Education.

**Sec. 29.** 1. Notwithstanding the provisions of NRS 387.122, as amended by section 8 of this act, the Department shall calculate an amount of funding for each pupil with a disability for Fiscal Year 2016-2017 by dividing the total count of such pupils by the money appropriated by the Legislature for such pupils in Fiscal Year 2016-2017. The Department shall report this multiplier to the basic support guarantee to the State Board of Education, the Interim Finance Committee and the Governor.

2. Except as otherwise provided in subsections 3 and 4, the funding provided to each school district and charter school pursuant to subsection 1 must not exceed 13 percent of total pupil enrollment for the school district or charter school.

3. 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 is entitled to receive an amount of money equal to the amount necessary to satisfy requirements for maintenance of effort under federal law.

4. A school district or charter school may not receive less funding pursuant to subsection 1 for Fiscal Year 2016-2017 than the amount per pupil with a disability that the school district or charter school received from the State in Fiscal Year 2015-2016.

**Sec. 30.** NRS 387.1221, 395.001, 395.0065, 395.0075, 395.008, 395.010, 395.030, 395.040, 395.050 and 395.060 are hereby repealed.

**Sec. 31.** 1. This section and sections 2, 4, 5, 7, 9, 12, 14, 16.5, 17, 18, 19, 21, 22, 24 and 26 to 29, inclusive, of this act become effective upon passage and approval.

2. Sections 1, 3, 6, 8, 10, 15, 20, 23, 25 and 30 of this act become effective on July 1, 2016.

3. Sections 11, 13 and 16 of this act become effective on July 1, 2017.