

**THE ONE HUNDRED AND SIXTEENTH DAY**

---

CARSON CITY (Thursday), June 1, 2017

Senate called to order at 1:44 p.m.

President Hutchison presiding.

Roll called.

All present.

Prayer by the Chaplain, Deacon Craig La Gier.

Almighty and Eternal God, You have revealed Your glory to all nations. God of power and might, wisdom and justice, through Your authority is rightly administered, laws are enacted and judgment is decreed. Let the light of Your divine wisdom direct the deliberations of this Senate and shine forth in all the proceedings and laws framed for our rule and government.

We pray for Brian Sandoval, our Governor, for the members of this legislature, for judges, elected civil officials and all others who are entrusted to guard our welfare. May they be enable by Your powerful protection to discharge their duties with honesty and ability.

We, likewise, commend to Your unbound mercy all citizens of this glorious State, that we may be blessed in the knowledge and sanctified in the observance of Your Holy Law. May we be preserved in union and peace which the world cannot give; and after enjoying the blessing of this life, be admitted to those which are eternal.

We pray to You, who are Lord and God forever and ever.

AMEN.

Pledge of Allegiance to the Flag.

By previous order of the Senate, the reading of the Journal is dispensed with, and the President and Secretary are authorized to make the necessary corrections and additions.

**REPORTS OF COMMITTEES**

*Mr. President:*

Your Committee on Commerce, Labor and Energy, to which was referred Assembly Bill No. 468, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

KELVIN ATKINSON, *Chair*

*Mr. President:*

Your Committee on Education, to which was referred Assembly Bill No. 127, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MOISES DENIS, *Chair*

*Mr. President:*

Your Committee on Finance, to which was referred Senate Bill No. 543, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JOYCE WOODHOUSE, *Chair*

*Mr. President:*

Your Committee on Government Affairs, to which was referred Assembly Bill No. 280, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DAVID R. PARKS, *Chair*

*Mr. President:*

Your Committee on Health and Human Services, to which were referred Assembly Bills Nos. 224, 366, 374, 428, 440, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

PAT SPEARMAN, *Chair*

*Mr. President:*

Your Committee on Senate Parliamentary Rules and Procedures has approved the consideration of: Amendment No. 973 to Senate Bill No. 439.

KELVIN ATKINSON, *Chair*

#### MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 31, 2017

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bill No. 395.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 207, 290, 382, 388, 475, 501, 503, 511.

CAROL AIELLO-SALA

*Assistant Chief Clerk of the Assembly*

#### MOTIONS, RESOLUTIONS AND NOTICES

By the Committee on Legislative Operations and Elections:

Senate Concurrent Resolution No. 10—Directing the Legislative Commission to conduct an interim study concerning matters relating to transportation and transportation infrastructure in this State.

Senator Cannizzaro moved that the resolution be referred to the Committee on Legislative Operations and Elections.

Motion carried.

Senator Goicoechea moved that Senate Bill No. 439 be taken from the Secretary's desk and placed on the General File, third Agenda.

Motion carried.

#### INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 548—AN ACT relating to education; providing for the establishment of the Nevada Institute on Teaching and Educator Preparation; making an appropriation; and providing other matters properly relating thereto.

Senator Woodhouse moved that the bill be referred to the Committee on Finance.

Motion carried.

By the Committee on Finance:

Senate Bill No. 549—AN ACT making an appropriation to the Division of State Library, Archives and Public Records of the Department of Administration for certain projects, services and technology; and providing other matters properly relating thereto.

Senator Woodhouse moved that the bill be referred to the Committee on Finance.

Motion carried.

By the Committee on Finance:

Senate Bill No. 550—AN ACT relating to financial administration; creating a disbursement account for administration by the Legislative Counsel Bureau; making an appropriation to the disbursement account for costs relating to a human resource management information system for the Clark County School District; and providing other matters properly relating thereto.

Senator Woodhouse moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 207.

Senator Atkinson moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 290.

Senator Atkinson moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

Assembly Bill No. 382.

Senator Atkinson moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Assembly Bill No. 388.

Senator Atkinson moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 395.

Senator Atkinson moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 475.

Senator Atkinson moved that the bill be referred to the Committee on Education.

Motion carried.

Assembly Bill No. 501.

Senator Atkinson moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 503.

Senator Atkinson moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 511.

Senator Atkinson moved that the bill be referred to the Committee on Finance.

Motion carried.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 120.

Bill read third time.

Remarks by Senator Cancela.

Senate Bill No. 120 makes various revisions to the nine-member Advisory Committee on Problem Gambling, including that two members must be Qualified Mental Health Professionals as defined in NRS chapter 458A, and at least one of those members must be a practicing problem-gambling counselor, certified pursuant to NRS chapter 641C.

Senate Bill No. 120 also revises the duties of the Advisory Committee to include providing advice and information to the Governor, the Legislature, the Department of Health and Human Services and other State agencies regarding issues and trends in the area of problem gambling; to review and make recommendations for granting money or contracting for services for the treatment and prevention of problem-gambling; review reports by the Department regarding the evaluation of the problem-gambling program, and assist in the research and development of plans to fund and provide services for the program.

Roll call on Senate Bill No. 120:

YEAS—21.

NAYS—None.

Senate Bill No. 120 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 315.

Bill read third time.

Remarks by Senators Farley and Settlemeyer.

SENATOR FARLEY:

Senate Bill No. 315 requires that a county whose population is 100,000 or more shall maintain a waste-diversion rate of at least 25 percent effective 2025. To achieve the 25 percent rate, counties whose population is 100,000 or more shall maintain waste-diversion rates of 23 percent by 2023, 24 percent by 2024, 25 percent by 2025 and 25 percent for all years thereafter. Senate Bill No. 315 requires that the State Environmental Commission shall adopt regulations to require each county whose population is 100,000 or more to report its waste-diversion rate for each calendar year. Finally, Senate Bill No. 315 requires the State Environmental Commission to adopt, by regulation, a recycling goal of at least 35 percent.

SENATOR SETTELMEYER:

Senate Bill No. 315 has been through many revisions and came out of the Committee on Natural Resources without recommendation and then went to the Committee on Finance. One of the things that was discussed was that in the north, we have had problems with the definition of food waste. The bill now applies only to Clark County, but there was much discussion trying to resolve that definition because in the north food waste is part of the franchise agreement which means individuals who are trying to divert food waste from going to a land fill are not being able to do so. I find that problematic. I hope this can be corrected on the other side but am skeptical due to the numerous iterations this bill has gone through. I have voted "yes" on several bills which are now very different on the other side, and I am receiving emails about that, so I will be voting "no" on this bill.

Roll call on Senate Bill No. 315:

YEAS—16.

NAYS—Gansert, Gustavson, Hammond, Roberson, Settelmeyer—5.

Senate Bill No. 315 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 487.

Bill read third time.

Remarks by Senator Ratti.

Senate Bill No. 487 transfers the responsibility for licensing and regulation of medical marijuana establishments to the Department of Taxation. The bill creates a streamlined and parallel taxation system for recreational and medical marijuana by eliminating the 2/2/2 percent tax and adding a 15 percent wholesale tax on medical. It accounts for \$10 million to be distributed to local governments to address local costs; imposes a 10 percent excise tax on retail recreational marijuana; specifies that counties, cities and towns are authorized to impose a license tax on both recreational and medical marijuana establishments in an amount not to exceed 3 percent of the gross revenue of the establishment, and limits what can be regulated at the local level. Finally, it requires all medical and recreational marijuana establishments to report certain statistical information to the Department of Taxation related to the amounts, types and prices of marijuana and marijuana products purchased or sold and allows for the issuance of new licenses in certain situations.

Roll call on Senate Bill No. 487:

YEAS—12.

NAYS—Gansert, Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Roberson, Settelmeyer—9.

Senate Bill No. 487 having failed to receive a two-thirds majority, Mr. President declared it lost.

Senator Ford moved that the action whereby the bill was lost be reconsidered.

Motion carried.

Bill read third time.

Remarks by Senators Ford, Hammond, Hardy, Segerblom, Settelmeyer and Spearman.

SENATOR FORD:

I am disappointed to see the last vote on Senate Bill No. 487. Last November, voters made a strong statement in favor of the legalization of recreational marijuana, in part, because they were promised the new marijuana industry would create a financial windfall for public education. As

Legislators, it is now incumbent upon us to implement the will of the voters and ensure the success of the recreational marijuana industry. That includes implementing a tax and regulatory structure that allows this new industry to flourish and keep the promise of providing a new source of funding for public schools.

Governor Sandoval recognized this opportunity even though he was opposed to Proposition 2. As part of his budget, he sent us a proposal to implement a 10-percent excise tax, with those proceeds directed toward the Distributive School Account for public schools. What we have before us, today, is the opportunity to create a new funding stream that will put tens of millions of dollars directly into our public schools. The Governor's proposal is the centerpiece of Senate Bill No. 487. I am proud of the hard work done on this bill. The partnership and collaboration between the Senator from District No. 13, the marijuana industry and the Governor's Office has crafted a bill that creates a streamlined tax structure for our entire marijuana industry. We have balanced the needs of our medical and recreational marijuana sectors. We have accommodated the needs of local governments by allowing for local business-license fees with reasonable limits. We have set aside more than \$60 million in new funds for public education. We are setting an effective tax rate that will ensure the legal market will grow will limiting the potential for black market growth. This is good public policy, Democrats know it; Republicans know it, and most importantly, your constituents, Nevadans, know it. There is no good reason to oppose this bill.

Our budget is built around the marijuana taxes proposed in Senate Bill No. 487. If we do not pass this bill, we create a hole in our budget. We will not only be failing to follow through on the promises made to Nevada's public school students and their families, but we will be forced to look at budget reductions in other important areas. I will highlight some of the educational items dependent on your vote in this Chamber which inform the ultimate shape of our budget: Senate Bill No. 178 to move forward the weighted funding formula for our students; Assembly Bill No. 77 regarding comprehensive teacher licensing revisions; Senate Bill No. 19, the Governor's initiative to expand dual credit courses; Senate Bill No. 212, to expand and improve our State's Safe to Tell School Suicide Response System; Senate Bill No. 200 which requires computer and technology instruction; Senate Bill No. 303 which audits K-12 student assessments; Senate Bill No. 391 which creates the Nevada Promise Scholarships and the appropriation for the current SSOG grant, shepherded through by the Senator from District No. 16; and Senate Bill No. 249 which relates to financial literacy.

We in this Chamber share many priorities we would like to see funded, many of which we cannot consider without passing this bill, whether it is to fund school libraries or establish a leadership-development program for public school students. These and other educational programs that could enrich the learning experience will likely suffer if we are forced to make cuts from this budget.

But, these cuts go beyond educational programs, the Rural Airport Bill supported by the Senator from District No. 19; dental services for veterans promoted by the Senator from District No. 12; the new university engineering building embraced by the Senators from Districts No. 15 and 16; our mental health programs in the north and south that are acknowledged by all to be critically important, and our ability to increase the caseload for the Autism Treatment Assistance Program, a cause championed by the Senator from District No. 16, will all be jeopardized by a "no" vote on this bill. These are just some of the projects and programs that could be at risk if we are forced to reopen and rework the budget. I have to believe no one wants that, but I could be wrong.

We, as Senators, and our constituents will find out with this next vote on Senate Bill No. 487. Passing this bill, today, will ensure we have the revenue we need to balance the budget, increase public school funding and maintain other essential priorities that will help better the lives of hardworking Nevadans and their families. I urge your support.

SENATOR HAMMOND:

It is disingenuous to discuss all the things we could have. The bill that was mentioned was mine, and there was never any intention for it to get out of the Committee on Finance. We all know what is being said and what some of the actions are that are being taken today. It is disingenuous to lecture everyone on what the vote means; we know what it means.

SENATOR HARDY:

It is not always good public policy where the ends justify the means.

SENATOR SEGERBLOM:

In the last two years, we voted on a \$1.3-billion tax credit for Tesla and then came back for Faraday and last fall for \$750 million for a football stadium. We have an industry that has invested hundreds of millions of dollars and is asking to pay a tax. They are not fighting it; they are asking to pay the tax for education like the voters approved last November. The fact you would vote against this is the ultimate of hypocrisy given the previous votes that have been made to give away billions of dollars and the fact this State is desperate for revenue. I urge you to reconsider voting against this bill.

SENATOR SETTELMEYER:

I understand the concept of raising taxes on the substance considering it will bring a cost to the State. I disagree with the concept of where the money is going. The concept of pot for tots is one I cannot vote for.

SENATOR SPEARMAN:

We talk about what we do and what we could do if we had the funds. It is incumbent upon us to understand that the voters have spoken. We came up here three times and gave tax breaks to others. Here is an industry that wants to help us improve public education and the quality of life for all students and Nevada. I am voting "yes" because I understand what the citizens said.

Roll call on Senate Bill No. 487:

YEAS—12.

NAYS—Gansert, Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Roberson, Settelmeyer—9.

Senate Bill No. 487 having failed to receive a two-thirds majority, Mr. President declared it lost.

Senator Ford moved that the Senate recess subject to the call of the Chair.  
Motion carried.

Senate in recess at 2:08 p.m.

#### SENATE IN SESSION

At 2:14 p.m.

President Hutchison presiding.

Quorum present.

#### REPORTS OF COMMITTEES

*Mr. President:*

Your Committee on Senate Parliamentary Rules and Procedures has approved the consideration of: Amendment No. 1071 to Senate Bill No. 544.

KELVIN ATKINSON, *Chair*

#### MOTIONS, RESOLUTIONS AND NOTICES

Senator Ford moved that Senate Bills Nos. 544, 545, 546 be taken from their position on the General File and be placed at the top of the General File.

Motion carried.

Senator Ford moved that the Senate recess until 3:00 p.m.

Motion carried.

Senate in recess at 2:17 p.m.

SENATE IN SESSION

At 3:02 p.m.

President Hutchison presiding.

Quorum present.

GENERAL FILE AND THIRD READING

Senate Bill No. 544.

Bill read third time.

The following amendment was proposed by Senator Ford:

Amendment No. 1071.

SUMMARY—Ensures sufficient funding for K-12 public education for the 2017-2019 biennium. (BDR 34-1189)

AN ACT relating to education; ensuring sufficient funding for K-12 public education for the 2017-2019 biennium; apportioning the State Distributive School Account in the State General Fund for the 2017-2019 biennium; authorizing certain expenditures; making appropriations for purposes relating to basic support, class-size reduction and other educational purposes; temporarily diverting the money from the State Supplemental School Support Account to the State Distributive School Account for use in funding operating costs and other expenditures of school districts and charter schools; and providing other matters properly relating thereto.

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

Section 1. The basic support guarantee for school districts and charter schools for operating purposes for Fiscal Year 2017-2018 is an estimated weighted average of \$5,897 per pupil. For each respective school district, the basic support guarantee per pupil for Fiscal Year 2017-2018 is:

|             |          |
|-------------|----------|
| Carson City | \$7,102  |
| Churchill   | \$7,094  |
| Clark       | \$5,700  |
| Douglas     | \$6,257  |
| Elko        | \$8,073  |
| Esmeralda   | \$21,469 |
| Eureka      | \$14,333 |
| Humboldt    | \$7,430  |
| Lander      | \$6,693  |
| Lincoln     | \$10,790 |
| Lyon        | \$7,400  |
| Mineral     | \$9,602  |
| Nye         | \$8,257  |
| Pershing    | \$9,412  |
| Storey      | \$8,306  |
| Washoe      | \$5,677  |



White Pine \$8,257

Sec. 2. 1. The basic support guarantee for school districts and charter schools for operating purposes for Fiscal Year 2018-2019 is an estimated weighted average of \$5,967 per pupil.

2. On or before April 1, 2018, the Executive Director of the Department of Taxation shall provide to the Superintendent of Public Instruction the certified total of the amount of ad valorem taxes to be received by each school district for Fiscal Year 2018-2019 pursuant to the levy imposed under subsection 1 of NRS 387.195 and credited to the county's school district fund pursuant to subsection 4 of that section.

3. Pursuant to NRS 362.115, on or before March 15 of each year, the Department of Taxation shall provide the estimates required by that section.

4. For the purposes of establishing the basic support guarantee, the estimated basic support guarantee per pupil for each school district for Fiscal Year 2018-2019 for operating purposes are:

| <u>School District</u> | <u>Basic Support Guarantee Before Adjustment</u> | <u>Estimated Ad Valorem Adjustment</u> | <u>Estimated Basic Support Guarantee as Adjusted</u> |
|------------------------|--|--|--|
| Carson City            | \$6,363  | \$830                                  | \$7,193  |
| Churchill              | \$6,233  | \$969                                  | \$7,202  |
| Clark                  | \$4,901  | \$878                                  | \$5,779  |
| Douglas                | \$4,058  | \$2,276                                | \$6,334  |
| Elko                   | \$7,123  | \$1,006                                | \$8,129  |
| Esmeralda              | \$16,926   | \$4,850                                | \$21,776   |
| Eureka                 | \$(7,549)  | \$22,036                               | \$14,487   |
| Humboldt               | \$5,465  | \$1,914                                | \$7,379  |
| Lander                 | \$(2,187)  | \$7,091                                | \$4,904  |
| Lincoln                | \$9,861  | \$1,046                                | \$10,907   |
| Lyon                   | \$6,706  | \$781                                  | \$7,487  |
| Mineral                | \$8,481  | \$1,244                                | \$9,725  |
| Nye                    | \$6,898  | \$1,380                                | \$8,278  |
| Pershing               | \$6,881  | \$2,380                                | \$9,261  |
| Storey                 | \$1,681  | \$6,602                                | \$8,283  |
| Washoe                 | \$4,700  | \$1,037                                | \$5,737  |
| White Pine             | \$7,025  | \$1,299                                | \$8,324  |

5. The ad valorem adjustment may be made only to take into account the difference in the ad valorem taxes to be received and the estimated enrollment of the school district between the amount estimated as of March 1, 2017, and the amount estimated as of March 1, 2018, for Fiscal Year 2018-2019. The estimates received from the Department of Taxation on or before March 15 pursuant to subsection 3 must be taken into consideration in determining the adjustment.

6. Upon receipt of the certified total of ad valorem taxes to be received by each school district for Fiscal Year 2018-2019 pursuant to subsection 2, the Superintendent of Public Instruction shall recalculate the ad valorem adjustment and the tentative basic support guarantee for operating purposes for each school district for Fiscal Year 2018-2019 based on the certified total of ad valorem taxes provided by the Executive Director of the Department of Taxation pursuant to subsection 2. The final basic support guarantee for each school district for Fiscal Year 2018-2019 is the amount which is recalculated for Fiscal Year 2018-2019 pursuant to this section, taking into consideration the estimates received from the Department of Taxation pursuant to NRS 362.115 on or before March 15, 2018. The basic support guarantee recalculated pursuant to this section must be calculated on or before May 31, 2018.

Sec. 3. 1. There is hereby appropriated from the State General Fund to the State Distributive School Account created by NRS 387.030:

For the Fiscal Year 2017-2018.....~~[\$1,162,837,609]~~ \$1,192,420,159

For the Fiscal Year 2018-2019.....~~[\$1,140,793,089]~~ \$1,181,785,421

2. The money appropriated by subsection 1 must be:

(a) Expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget; and

(b) Work-programmed for the 2 separate fiscal years of the 2017-2019 biennium, as required by NRS 353.215. Work programs may be revised with the approval of the Governor upon the recommendation of the Director of the Office of Finance in the Office of the Governor.

3. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

4. The money appropriated by subsection 1 is available for either fiscal year or may be transferred to Fiscal Year 2016-2017. Money may be transferred from one fiscal year to another with the approval of the Governor upon the recommendation of the Director of the Office of Finance in the Office of the Governor. If any money appropriated by subsection 1 is transferred to Fiscal Year 2016-2017, any remaining funds in the State Distributive School Account after all obligations have been met that are not subject to reversion to the State General Fund must be transferred back to Fiscal Year 2017-2018. Any amount transferred back to Fiscal Year 2017-2018 must not exceed the amount originally transferred to Fiscal Year 2016-2017.

5. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2017-2018 must be transferred and added to the money appropriated for Fiscal Year 2018-2019 and may be expended as that money is expended.

6. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2018-2019, including any money added thereto pursuant to the provisions of subsections 3 and 5, must not be committed for expenditure

after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 4. 1. Expenditure of ~~[\$420,494,044]~~ \$390,911,494 by the Department of Education from money in the State Distributive School Account that was not appropriated from the State General Fund is hereby authorized during Fiscal Year 2017-2018.

2. Expenditure of ~~[\$446,248,075]~~ \$405,255,743 by the Department of Education from money in the State Distributive School Account that was not appropriated from the State General Fund is hereby authorized during Fiscal Year 2018-2019.

3. For the purposes of accounting and reporting, the sums authorized for expenditure by subsections 1 and 2 are considered to be expended before any appropriation is made to the State Distributive School Account from the State General Fund.

4. The money authorized to be expended by subsections 1 and 2 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

5. The Director of the Office of Finance in the Office of the Governor may, with the approval of the Governor, authorize the augmentation of the amounts authorized for expenditure by the Department of Education in subsections 1 and 2, for the purpose of meeting obligations of the State incurred under chapter 387 of NRS with amounts from any other state agency, from any agency of local government, from any agency of the Federal Government or from any other source that he or she determines is in excess of the amount taken into consideration by this act. The Director of the Office of Finance shall reduce any authorization whenever he or she determines that money to be received will be less than the amount authorized in subsections 1 and 2.

Sec. 5. During each fiscal year of the 2017-2019 biennium, whenever the State Controller finds that current claims against the State Distributive School Account exceed the amount available in the Account to pay those claims, the State Controller may advance temporarily from the State General Fund to the State Distributive School Account the amount required to pay the claims, but not more than the amount expected to be received in the current fiscal year from any source authorized for the State Distributive School Account. No amount may be transferred unless requested by the Director of the Office of Finance in the Office of the Governor.

Sec. 6. The amounts of the guarantees set forth in sections 1 and 2 of this act may be reduced to effectuate a reserve required pursuant to NRS 353.225.

Sec. 7. 1. The Department of Education shall transfer from the State Distributive School Account the following sums for students with disabilities:

For the Fiscal Year 2017-2018..... \$186,670,566

For the Fiscal Year 2018-2019..... \$199,819,875

2. The money transferred by subsection 1 must be used only to fund the school districts and charter schools for the enrollment of pupils with disabilities in accordance with the funding multiplier calculated by the Department of Education pursuant to subsection 3 of NRS 387.122.

Sec. 8. 1. The Department of Education shall transfer from the State Distributive School Account the following sums for special transportation costs to school districts:

For the Fiscal Year 2017-2018..... \$128,541

For the Fiscal Year 2018-2019..... \$128,541

2. Pursuant to NRS 392.015, the Department of Education shall use the money transferred in subsection 1 to reimburse school districts for the additional costs of transportation for any pupil to a school outside the school district in which his or her residence is located.

3. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 21, 2018, and September 20, 2019, for each fiscal year respectively.

Sec. 9. 1. The Department of Education shall transfer from the State Distributive School Account to the school districts the following sums for the National School Lunch Program state match requirement pursuant to NRS 387.105 to reimburse school districts for the costs of providing meals pursuant to 42 U.S.C. §§ 1751 et seq.:

For the Fiscal Year 2017-2018..... \$588,732

For the Fiscal Year 2018-2019..... \$588,732

2. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 21, 2018, and September 20, 2019, for each fiscal year respectively.

Sec. 10. Each school district shall expend the revenue made available through this act, as well as other revenue from state, local and federal sources, in a manner which is consistent with NRS 288.150 and which is designed to attain the goals of the Legislature regarding educational reform in this State, especially with regard to assisting pupils in need of remediation and pupils who are not proficient in the English language. Materials and supplies for classrooms are subject to negotiation by employers with recognized employee organizations.

Sec. 11. The Legislature hereby finds and declares that:

1. Available money is estimated to provide a sufficient number of licensed teachers to achieve in each school district pupil-teacher ratios of 17 pupils per licensed teacher in grades 1 and 2 in Fiscal Year 2017-2018 and Fiscal Year 2018-2019, and to achieve a pupil-teacher ratio of 20 pupils

per licensed teacher in grade 3 in Fiscal Year 2017-2018 and Fiscal Year 2018-2019.

2. Certain school districts do not have a sufficient number of classrooms available to permit an average class size of 20 pupils per licensed teacher in grade 3.

3. It is unreasonable to assign 2 licensed teachers to classrooms of 40 pupils to attain a district-wide pupil-teacher ratio of 20 pupils per licensed teacher in grade 3.

4. School districts may, instead, attain the desired pupil-teacher ratio in classes where core curriculum is taught by using alternative methods of reducing the ratio, such as employing licensed teachers to provide remedial instruction.

5. School districts may wish to use money for class-size reduction to carry out programs that have been found to be effective in improving academic achievement.

6. The Legislature has specifically designed the laws relating to class-size reduction to allow the local school districts the necessary discretion to effectuate the reduction in the manner appropriate in their respective districts.

7. School districts are encouraged, to the extent possible, to further reduce the pupil-teacher ratio in each classroom in the district for grades 1, 2 and 3 for which additional funding is provided.

8. The Legislature intends to continue the reduced pupil-teacher ratio for grades 1, 2 and 3 throughout the State.

Sec. 12. 1. The Department of Education shall transfer from the State Distributive School Account the sum of \$147,445,963 for distribution by the Superintendent of Public Instruction to the county school districts for Fiscal Year 2017-2018 which must, except as otherwise provided in section 14 of this act, be used to employ licensed teachers to comply with the required ratio of pupils to teachers in grades 1, 2 and 3, as set forth in subsection 1 of section 11 of this act. Expenditures for the class-size reduction program must be accounted for in a separate category of expenditure in the State Distributive School Account.

2. Except as otherwise provided in section 14 of this act, the money transferred by subsection 1 must be used to pay the salaries and benefits of not less than 1,944 licensed teachers employed by school districts to meet the required pupil-teacher ratios in the 2017-2018 school year.

3. Any remaining balance of the money transferred by subsection 1 must not be committed for expenditure after June 30, 2018, and must be transferred and added to the money appropriated to the State Distributive School Account pursuant to section 3 of this act for Fiscal Year 2018-2019, and may be expended as the money in section 13 of this act is expended.

Sec. 13. 1. The Department of Education shall transfer from the State Distributive School Account the sum of \$152,142,582 for distribution by the Superintendent of Public Instruction to the county school districts for Fiscal

Year 2018-2019 which must, except as otherwise provided in section 14 of this act, be used to employ licensed teachers to comply with the required ratio of pupils to teachers in grades 1, 2 and 3, as set forth in subsection 1 of section 11 of this act. Expenditures for the class-size reduction program must be accounted for in a separate category of expenditure in the State Distributive School Account.

2. Except as otherwise provided in section 14 of this act, the money transferred by subsection 1 must be used to pay the salaries and benefits of not less than 1,968 licensed teachers employed by school districts to meet the required pupil-teacher ratios in the 2018-2019 school year.

3. Any remaining balance of the money transferred by subsection 1, including any money added thereto pursuant to section 12 of this act, must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 14. 1. The board of trustees of each school district:

(a) Shall file a plan with the Superintendent of Public Instruction describing how the money transferred pursuant to sections 12 and 13 of this act will be used to comply with the required ratio of pupils to teachers in grades 1, 2 and 3; and

(b) May, after receiving approval of the plan from the Superintendent of Public Instruction, use the money transferred pursuant to sections 12 and 13 of this act to carry out:

(1) An alternative program for reducing the ratio of pupils per teacher, including, without limitation, any legislatively approved program of flexibility; or

(2) Programs of remedial education that have been found to be effective in improving pupil achievement in grades 1, 2 and 3, so long as the combined ratio of pupils per teacher in the aggregate of kindergarten and grades 1, 2 and 3 of the school district does not exceed the combined ratio of pupils per teacher in the aggregate of kindergarten and grades 1, 2 and 3 of the school district in the 2004-2005 school year.

↪ The plan approved by the Superintendent of Public Instruction must describe the method to be used by the school district to evaluate the effectiveness of the alternative program or remedial education programs in improving pupil achievement.

2. In no event must the provisions of this section be construed to authorize the board of trustees of a school district in a county whose population is 100,000 or more to develop an alternative plan for the reduction of pupil-teacher ratios pursuant to subsection 2 of NRS 388.720.

Sec. 15. 1. The money transferred for class-size reduction pursuant to sections 12 and 13 of this act:

(a) May be applied first to pupils considered most at risk of failure.

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

(c) Must not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

(d) Must fund the student-to-teacher ratios associated with the type of class-size reduction program implemented, with authorization to distribute residual class-size reduction program funds to underperforming schools with approved class-size reduction variances.

2. The money transferred for class-size reduction pursuant to sections 12 and 13 of this act must not be distributed to a school district unless that school district has:

(a) Filed with the Department of Education a plan required by NRS 388.720 for achieving the required ratio set forth in NRS 388.700; and

(b) Demonstrated that, from resources of the school district other than allocations received from the State Distributive School Account for class-size reduction, a sufficient number of classroom teachers have been employed to maintain the average pupil-teacher ratio that existed for each grade for grades 1, 2 and 3, in that school district for the 3 school years immediately preceding the start of the class-size reduction program in the 1990-1991 school year.

Sec. 16. 1. There is hereby appropriated from the State General Fund to the Other State Education Programs Account in the State General Fund the following sums:

|                                    |              |
|------------------------------------|--------------|
| For the Fiscal Year 2017-2018..... | \$76,374,071 |
| For the Fiscal Year 2018-2019..... | \$77,881,742 |

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. The Department of Education shall transfer from the Other State Education Programs Account the sum of \$18,260,398 for both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 for distribution by the Superintendent of Public Instruction to county school districts for the support of courses which are approved by the Department of Education as meeting the course of study for an adult standard high school diploma as approved by the State Board of Education. In each fiscal year of the 2017-2019 biennium, the sum transferred must be allocated among the various school districts in accordance with a plan or formula developed by the Department of Education to ensure that the money is distributed equitably and in a manner that permits accounting for the expenditures of school districts.

4. The Department of Education shall, not later than November 1, 2018, provide a written report to the Governor, the Legislative Committee on Education and the Director of the Legislative Counsel Bureau that describes each expenditure made from the amount transferred in subsection 3 and the performance results of the participants of the Adult High School Diploma program.

5. Any remaining balance of the allocations made by subsection 3 for Fiscal Year 2017-2018 must be added to the money received by the school districts for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the allocations made by subsection 3 for Fiscal Year 2018-2019, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

6. The money appropriated by subsection 1 to finance specific programs as outlined in this subsection are available for both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 and may be transferred from one fiscal year to the other with the approval of the Interim Finance Committee upon the recommendation of the Governor as follows:

(a) A total of \$49,285 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 for successful completion of the National Board Teacher Certification Program.

(b) A total of \$668,740 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 for Counselor National Board Certification.

(c) A total of \$449,142 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 for LEA library books.

(d) A total of \$12,543,822 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 for the award of grants for career and technical education pursuant to NRS 388.393 and, notwithstanding the provisions of subsections 1, 2 and 3 of NRS 388.392, not for the use of leadership and training activities and pupil organizations.

(e) A total of \$3,586,645 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 for the Jobs for America's Graduates Program.

(f) A total of \$850,000, with a maximum of \$50,000 to each of the 17 school districts, in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 to support special counseling services for elementary school pupils at risk of failure.

(g) A total of \$18,798 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 to pay the increase of salaries of professional school library media specialists required by NRS 391.163.

7. Any remaining balance of the sums transferred in subsection 6 must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

8. Except as otherwise provided in subsections 5 and 7, unencumbered balances of the appropriations made by this section for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 must not be committed for expenditure after June 30 of each fiscal year. Except as otherwise provided in subsections 5 and 7, unencumbered balances of these appropriations revert to the State General Fund on or before September 21, 2018, and September 20, 2019, for each fiscal year respectively.

Sec. 17. 1. The Department of Education shall transfer from the Other State Education Programs Account the sum of \$6,374,243 in Fiscal



Year 2017-2018 and \$8,274,243 in Fiscal Year 2018-2019 for pupils enrolled in school districts and charter schools who qualify for gifted and talented education programs.

2. The money transferred by subsection 1 must be distributed on a per pupil basis to pupils who have been identified as gifted and talented through a state-approved assessment, procedure, or both and must receive at least 150 minutes per week during the school year of differentiated educational activities unless the pupil's individualized educational program otherwise provides. The Department of Education shall calculate an amount of funding for each pupil identified as gifted and talented for both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 by dividing the money appropriated by the Legislature for such pupils in Fiscal Year 2017-2018 and in Fiscal Year 2018-2019 by the total final count of such pupils in the immediately preceding fiscal year.

3. The money transferred by subsection 1 for pupils enrolled in school districts and charter schools who qualify for gifted and talented education programs:

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

(b) Must not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

4. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 21, 2018, and September 20, 2019, for each fiscal year respectively.

Sec. 18. 1. The Department of Education shall transfer from the Other State Education Programs Account the following sums for early childhood education:

|                                    |             |
|------------------------------------|-------------|
| For the Fiscal Year 2017-2018..... | \$3,338,875 |
| For the Fiscal Year 2018-2019..... | \$3,338,875 |

2. The money transferred by subsection 1 must be used by the Department of Education for competitive state grants to school districts, charter schools and nonprofit organizations for early childhood education programs.

3. To receive a grant of money pursuant to subsection 2, school districts, charter schools and nonprofit organizations must submit a comprehensive plan to the Department of Education that includes, without limitation:

(a) A detailed description of the proposed early childhood education program; and

(b) A description of the manner in which the money will be used, which must supplement and not replace the money that would otherwise be expended for early childhood education programs.

4. A school district, charter school or nonprofit organization that receives a grant of money pursuant to this section shall:

(a) Use the money to establish or expand prekindergarten education programs.

(b) Use the money to supplement and not replace the money that the school district, charter school or nonprofit organization would otherwise expend for early childhood education programs, as described in this section.

(c) Use the money to pay for the salaries and other items directly related to the instruction of pupils in the classroom.

↪ The money must not be used to remodel classrooms or facilities or for playground equipment.

5. The Department of Education shall utilize statewide performance and outcome indicators to measure the effectiveness of the early childhood education programs for which grants of money are awarded pursuant to this section. The Department shall establish minimum performance levels and increase the expected performance rates on a yearly basis, based upon the performance results of the participants.

6. The Department of Education shall, not later than November 1, 2018, provide a written report to the Governor, the Legislative Committee on Education and the Director of the Legislative Counsel Bureau regarding the effectiveness of the early childhood education programs for which grants of money were received. The report must include, without limitation:

(a) The number of grants awarded;

(b) An identification of each school district, charter school and nonprofit organization that received a grant of money and the amount of each grant awarded;

(c) For each school district, charter school and nonprofit organization that received a grant of money:

(1) The number of children who received services through a program funded by the grant that received funding from the State for early childhood education programs in Fiscal Year 2017-2018; and

(2) The average expenditure per child in each early childhood education program that received funding from the State in Fiscal Year 2017-2018;

(d) A description of the programs in this State that are the most effective;

(e) Based upon the performance of children in the program on established performance and outcome indicators, a description of revised performance and outcome indicators, including any revised minimum performance levels and performance rates; and

(f) Any recommendations for legislation.

7. The money transferred by this section:

(a) Must be accounted for separately from any other money received by the school districts, charter schools and nonprofit organizations of this State and used only for the purposes specified in this section.

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

(c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

8. The sums transferred by subsection 1 are available for either fiscal year. Money may be transferred from one fiscal year to another with the approval of the Interim Finance Committee upon the recommendation of the Governor. Any remaining balance of those sums must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 19. 1. The Department of Education shall transfer from the Other State Education Programs Account the following sums for a college and career readiness grant program:

|                                    |             |
|------------------------------------|-------------|
| For the Fiscal Year 2017-2018..... | \$5,000,000 |
| For the Fiscal Year 2018-2019..... | \$5,000,000 |

2. Except as otherwise provided by subsection 3, the money transferred by subsection 1 must be used by the Department of Education for competitive grants to school districts and charter schools:

(a) To support dual enrollment for pupils enrolled in high schools, including, without limitation, charter schools, and simultaneously enrolled in college courses; and

(b) To create a competitive science, technology, engineering and mathematics grant program for pupils enrolled in middle schools and high schools, including, without limitation, charter schools, to assist those pupils in becoming college and career ready.

3. Of the money transferred by subsection 1, an amount of at least \$500,000 but not more than \$750,000 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 may be used by the Department of Education to provide competitive grants to school districts, charter schools and nonprofit organizations for the development and implementation of work-based learning pilot programs.

4. The money transferred by subsection 1:

(a) Must be accounted for separately from any other money received by the school districts, charter schools and nonprofit organizations and used only for the purposes specified in this section.

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

(c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

5. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the

State General Fund on or before September 21, 2018, and September 20, 2019, for each fiscal year respectively.

Sec. 20. 1. The Department of Education shall transfer from the Other State Education Programs Account the following sums for underperforming schools:

|                                    |             |
|------------------------------------|-------------|
| For the Fiscal Year 2017-2018..... | \$2,500,000 |
| For the Fiscal Year 2018-2019..... | \$2,500,000 |

2. The money transferred by subsection 1 must be used by the Department of Education to provide grants and other financial support, within the limits of legislative appropriation, to public schools to improve the achievement of pupils required by NRS 385A.650 for any one or more of the following:

(a) Activities to replicate high poverty/high performing schools and high performing schools.

(b) To support a transition period until such time as an underperforming school is sustainable at a three-star level, as determined by the Department of Education pursuant to the statewide system of accountability for public schools.

(c) Other activities consistent with the approved federal plan for school improvement.

3. The money transferred pursuant to subsection 1:

(a) Must be accounted for separately from any other money received by the school districts and charter schools of this State and used only for the purposes specified in subsection 2.

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

(c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

4. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 21, 2018, and September 20, 2019, for each fiscal year respectively.

Sec. 21. 1. The Department of Education shall transfer from the Other State Education Programs Account the following sums which must be used only to carry out the provisions of NRS 392.750 to NRS 392.775, inclusive:

|                                    |              |
|------------------------------------|--------------|
| For the Fiscal Year 2017-2018..... | \$20,537,953 |
| For the Fiscal Year 2018-2019..... | \$20,537,953 |

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

3. The money transferred pursuant to subsection 1:

(a) Must be accounted for separately from any other money received by the school districts and charter schools of this State and used only for the purposes specified in subsection 1.

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

(c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.

4. Any balance of the money transferred by subsection 1 remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 21, 2018, and September 20, 2019, respectively.

Sec. 22. 1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:

|                                    |              |
|------------------------------------|--------------|
| For the Fiscal Year 2017-2018..... | \$49,950,000 |
| For the Fiscal Year 2018-2019..... | \$49,950,000 |

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. The Department of Education shall transfer from the appropriation made by subsection 1 to the school districts specified in this subsection the following sums which must be used only to carry out the provisions of Senate Bill No. 390 of this session for Fiscal Year 2017-2018:

| <u>School District:</u>       | <u>2017-2018</u> |
|-------------------------------|------------------|
| Clark County School District  | \$38,741,220     |
| Washoe County School District | \$7,307,685      |

4. Except as otherwise provided in subsection 5, the Department of Education shall calculate an amount of funding for each pupil identified as English Learner for Fiscal Year 2018-2019, by dividing the money appropriated in subsection 1 for Fiscal Year 2018-2019 by the total final count of such pupils in Fiscal Year 2017-2018 and shall transfer the applicable sums to the school districts specified in subsection 3.

5. Of the sums appropriated by subsection 1, the Department of Education shall use not more than \$3,901,095 in Fiscal Year 2017-2018 and the amount determined in subsection 4 other than the amounts determined for the Clark County School District and Washoe County School District in Fiscal Year 2018-2019, which must be used only to carry out the provisions of Senate Bill No. 390 of this session to provide grants of money to the State Public Charter School Authority and the school districts, other than the Clark County School District or the Washoe County School District. The board of trustees of a school district and the State Public Charter School Authority

may submit an application to the Department on a form prescribed by the Department.

6. Any remaining balance of the transfers made by subsection 3 for Fiscal Year 2017-2018 must be added to the money transferred for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 4 for Fiscal Year 2018-2019, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

7. Any remaining balance of the transfers made by subsection 5 for Fiscal Year 2017-2018 must be added to the money transferred for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the transfers made pursuant to subsection 5 for Fiscal Year 2018-2019, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

8. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 23. 1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 a total of \$10,000,000 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 to be distributed by the Commission on Educational Technology created by NRS 388.790 for the Nevada Ready 21 Technology competitive grant program for statewide one-to-one pupil computing in certain middle schools to provide pupils and teachers with 24-hour access to their own personal, portable, technology device connected wirelessly to the Internet. The money must not be used for administrative expenditures of the Department of Education.

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2017-2018 must be added to the money appropriated for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2018-2019, including any such money added from the previous fiscal

year, must not be committed for expenditure after June 30, 2019, and does not revert to the State General Fund.

Sec. 24. 1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:

- For the Fiscal Year 2017-2018..... \$25,000,000
- For the Fiscal Year 2018-2019..... \$25,000,000

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. The Department of Education shall transfer from the appropriation made by subsection 1 to school districts and charter schools which must be used only to carry out the provisions of Assembly Bill No. 447 of this session for Fiscal Year 2017-2018 and Fiscal Year 2018-2019, respectively.

4. Any remaining balance of the transfers made to carry out the provisions of Assembly Bill 447 of this session for Fiscal Year 2017-2018 must be added to the money transferred for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the transfers made to carry out the provisions of Assembly Bill No. 447 of this session for Fiscal Year 2018-2019, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 25. 1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:

- For the Fiscal Year 2017-2018..... \$10,710,673
- For the Fiscal Year 2018-2019..... \$10,710,673

2. The Department of Education shall transfer from the appropriation made by subsection 1 to school districts and charter schools for block grants for contract or employee social workers or other licensed mental health workers in schools with identified needs. The money must not be used for administrative expenditures of the Department of Education.

3. For purposes of the allocations of sums for the block grant program described in subsection 2, eligible licensed social or other mental health workers include the following:

- (a) Licensed Clinical Social Worker;
- (b) Social Worker;
- (c) Social Worker Intern with Supervision;
- (d) Clinical Psychologist;
- (e) Psychologist Intern with Supervision;
- (f) Marriage and Family Therapist;
- (g) Mental Health Counselor;

- (h) Community Health Worker;
- (i) School-Based Health Centers; and
- (j) Licensed Nurse.

4. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

5. Any remaining balance of the transfer made by subsection 2 for Fiscal Year 2017-2018 must be added to the money transferred for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the transfer made by subsection 2 for Fiscal Year 2018-2019, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2019, and does not revert to the State General Fund.

6. Expenditure of \$478,127 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 from money in the Account for Programs for Innovation and the Prevention of Remediation that was not appropriated from the State General Fund is hereby authorized for the block grant program described in subsection 2.

7. For the purposes of accounting and reporting, the sum authorized for expenditure by subsection 6 is considered to be expended before any appropriation is made to the Account for Programs for Innovation and the Prevention of Remediation from the State General Fund.

8. The money authorized to be expended by subsection 6 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

9. The Director of the Office of Finance in the Office of the Governor may, with the approval of the Governor, authorize the augmentation of the amounts authorized for expenditure by the Department of Education in subsection 6, for the purpose of the block grant program described in subsection 2 with amounts from any other state agency, from any agency of local government, from any agency of the Federal Government or from any other source that he or she determines is in excess of the amount taken into consideration by this act. The Director of the Office of Finance shall reduce any authorization whenever he or she determines that money to be received will be less than the amount authorized in subsection 6.

Sec. 26. 1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:

|                                    |             |
|------------------------------------|-------------|
| For the Fiscal Year 2017-2018..... | \$2,500,000 |
| For the Fiscal Year 2018-2019..... | \$2,500,000 |



2. On or before August 31, 2017, the board of trustees of a school district may apply to the State Board of Education for a grant of money from the money appropriated pursuant to subsection 1 to provide financial incentives to newly hired teachers as described in subsection 3. Each application submitted pursuant to this section must include the number of teachers to whom the board of trustees intends to provide such incentives. On or before October 31, 2017, the State Board of Education shall distribute the money to each board of trustees of a school district that submits an application in proportion to the number of teachers to whom the board of trustees plans to provide incentives.

3. Each board of trustees of a school district that receives a grant of money pursuant to subsection 2 must use the money to pay for incentives to newly hired teachers through the program of performance pay and enhanced compensation for the recruitment and retention of licensed teachers and administrators established by the board of trustees pursuant to NRS 391A.450. A board of trustees of a school district may only use such money to provide incentives to licensed teachers who were not employed by the board of trustees during the 2016-2017 school year and:

(a) Are employed full-time to teach in a school that:

(1) Is a Title I school as defined in NRS 385A.040; or

(2) Received one of the two lowest possible ratings indicating underperformance of a public school, as determined by the Department of Education pursuant to the statewide system of accountability for public schools, for the 2017-2018 school year; or

(b) Are licensed to teach special education and employed full time.

4. An incentive provided pursuant to subsection 3 may be used to increase the base salary of a teacher for the 2017-2018 and 2018-2019 school years in an amount not to exceed \$5,000 per school year. A teacher who receives such an incentive is not entitled to continue to receive such an incentive after the 2018-2019 school year, and the board of trustees of a school district is not required to pay such an incentive after that school year.

5. The board of trustees of a school district that provides an incentive pursuant to subsection 3 shall provide professional development to each teacher who receives such an incentive for each school year for which the teacher receives the incentive.

6. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2017-2018 must be added to the money appropriated for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2018-2019, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2019, and does not revert to the State General Fund.

Sec. 27. 1. There is hereby appropriated from the State General Fund to the Professional Development Programs Account:

For the Fiscal Year 2017-2018..... \$7,560,948  
 For the Fiscal Year 2018-2019..... \$7,560,948

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

Sec. 28. 1. Of the sums appropriated by subsection 1 of section 27 of this act, the Department of Education shall transfer the following sums for Fiscal Year 2017-2018 and Fiscal Year 2018-2019:

| <u>School District</u>        | <u>2017-2018</u>   | <u>2018-2019</u>   |
|-------------------------------|--------------------|--------------------|
| Clark County School District  | \$3,983,356        | \$3,983,356        |
| Elko County School District   | \$1,243,736        | \$1,243,736        |
| Washoe County School District | <u>\$2,233,856</u> | <u>\$2,233,856</u> |
| TOTAL:                        | \$7,460,948        | \$7,460,948        |

2. A school district that receives an allocation pursuant to subsection 1 shall serve as fiscal agent for the respective regional training program for the professional development of teachers and administrators. As fiscal agent, each school district is responsible for the payment, collection and holding of all money received from this State for the maintenance and support of the regional training program for the professional development of teachers and administrators and the Nevada Early Literacy Intervention Program established and operated by the applicable governing body.

3. Any remaining balance of the transfers made by subsection 1 for Fiscal Year 2017-2018 must be added to the money received by the school districts for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 1 for Fiscal Year 2018-2019, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 29. 1. Of the sums appropriated by subsection 1 of section 27 of this act, the Department of Education shall transfer to the Statewide Council for the Coordination of the Regional Training Programs created by NRS 391A.130 the sum of \$100,000 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 for additional training opportunities for educational administrators in Nevada.

2. The Statewide Council shall use the money:

(a) To disseminate research-based knowledge related to effective educational leadership behaviors and skills.

(b) To develop, support and maintain ongoing activities, programs, training and networking opportunities.

(c) For the purpose of providing additional training for educational administrators, including, without limitation, to pay:

(1) Travel expenses of administrators who attend the training program;

(2) Travel and per diem expenses for any consultants contracted to provide additional training; and

(3) Any charges to obtain a conference room for the provision of the additional training.

(d) To supplement and not replace the money that the school district or the regional training program would otherwise expend for the training of administrators as described in this section.

3. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2017-2018 must be added to the money received by the Statewide Council for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2018-2019, including any money added from the transfer for the previous fiscal year, must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 30. 1. There is hereby appropriated from the State General Fund to the Great Teaching and Leading Fund created by NRS 391A.500 the following sums:

|                                    |             |
|------------------------------------|-------------|
| For the Fiscal Year 2017-2018..... | \$4,866,478 |
| For the Fiscal Year 2018-2019..... | \$4,866,478 |

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. The Department of Education shall transfer the money appropriated in subsection 1 for competitive grants which must be used only to carry out the provisions of NRS 391A.500 to 391A.515, inclusive.

4. Any remaining balance of the transfer made by subsection 3 for Fiscal Year 2017-2018 must be added to the transfers for Fiscal Year 2018-2019 and may be expended as that money is expended. Any remaining balance of the transfer made by subsection 3 for Fiscal Year 2018-2019, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2019, and does not revert to the State General Fund.

5. Expenditure of \$40,776 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 from money in the Great Teaching and Leading Fund that was not appropriated from the State General Fund is hereby authorized to carry out the provisions of NRS 391A.500 to 391A.515, inclusive.

6. For the purposes of accounting and reporting, the sum authorized for expenditure by subsection 5 is considered to be expended before any appropriation is made to the Great Teaching and Leading Fund from the State General Fund.

7. The money authorized to be expended by subsection 5 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning

the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

8. The Director of the Office of Finance in the Office of the Governor may, with the approval of the Governor, authorize the augmentation of the amounts authorized for expenditure by the Department of Education in subsection 5, for the purpose of carrying out the provisions of NRS 391A.500 to 391A.515, inclusive, with amounts from any other state agency, from any agency of local government, from any agency of the Federal Government or from any other source that he or she determines is in excess of the amount taken into consideration by this act. The Director of the Office of Finance shall reduce any authorization whenever he or she determines that money to be received will be less than the amount authorized in subsection 5.

Sec. 31. 1. There is hereby appropriated from the State General Fund to the Contingency Account for Special Education Services created by NRS 388.5243 the sum of \$100 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019.

2. There is hereby authorized for expenditure from the Contingency Account for Special Education Services the sum of \$1,999,900 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019.

3. The money appropriated by subsection 1 and authorized to be expended by subsection 2 must be used only to carry out the purpose of the Contingency Account for Special Education Services created by NRS 388.5243.

4. Any remaining balance of the money appropriated by subsection 1 for Fiscal Year 2017-2018 and Fiscal Year 2018-2019 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 21, 2018, and September 20, 2019, for each fiscal year respectively.

Sec. 32. 1. There is hereby appropriated from the State General Fund to the Grant Fund for Incentives for Licensed Educational Personnel created by NRS 391A.400 to purchase one-fifth of a year of retirement service credit pursuant to section 5 of chapter 8, Statutes of Nevada 2007, 23rd Special Session, at page 18:

|                                    |             |
|------------------------------------|-------------|
| For the Fiscal Year 2017-2018..... | \$1,000,000 |
| For the Fiscal Year 2018-2019..... | \$1,000,000 |

2. The money appropriated by subsection 1 is available for either fiscal year with the approval of the Interim Finance Committee upon the recommendation of the Governor. Any remaining balance of those sums must not be committed for expenditure after June 30, 2019, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 33. 1. There is hereby appropriated from the State General Fund to the Bullying Prevention Account created by NRS 388.1325 to provide bullying prevention grant funding to school districts:

For the Fiscal Year 2017-2018..... \$45,000  
 For the Fiscal Year 2018-2019..... \$45,000

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 34. 1. There is hereby appropriated from the State General Fund to the Teach Nevada Scholarship Program Account created by NRS 391A.575 to award grants to universities, colleges and other providers of an alternative licensure program that are approved to award Teach Nevada Scholarships pursuant to NRS 391A.585:

For the Fiscal Year 2017-2018..... \$2,500,000  
 For the Fiscal Year 2018-2019..... \$2,500,000

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. Expenditure of \$13,892 in both Fiscal Year 2017-2018 and Fiscal Year 2018-2019 from money in the Teach Nevada Scholarship Program Account that was not appropriated from the State General Fund is hereby authorized to award grants to universities, colleges and other providers of an alternative licensure program that are approved to award Teach Nevada Scholarships pursuant to NRS 391A.585.

4. For the purposes of accounting and reporting, the sum authorized for expenditure by subsection 3 is considered to be expended before any appropriation is made to the Teach Nevada Scholarship Program Account from the State General Fund.

Sec. 35. 1. There is hereby appropriated from the State General Fund to the Teachers' School Supplies Reimbursement Account created by NRS 387.1253 to reimburse teachers for out-of-pocket expenses incurred in connection with purchasing necessary school supplies for the pupils they instruct:

For the Fiscal Year 2017-2018..... \$2,500,000  
 For the Fiscal Year 2018-2019..... \$2,500,000

2. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.

3. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and does not revert to the State General Fund.

Sec. 36. 1. Expenditure of the following sums not appropriated from the State General Fund or the State Highway Fund is hereby authorized during Fiscal Year 2017-2018 and Fiscal Year 2018-2019 by the Department of Education for the State Supplemental School Support Account created by NRS 387.191:

|                                    |               |
|------------------------------------|---------------|
| For the Fiscal Year 2017-2018..... | \$185,056,000 |
| For the Fiscal Year 2018-2019..... | \$191,092,000 |

2. The Superintendent of Public Instruction shall transfer all money credited to the State Supplemental School Support Account on and after July 1, 2017, through June 30, 2019, to the State Distributive School Account.

Sec. 37. The nonprofit organization to which a grant is awarded pursuant to section 1 of chapter 485, Statutes of Nevada, 2015, at page 2871, shall:

1. Prepare and transmit a report to the Office of Finance in the Office of the Governor and the Interim Finance Committee on or before July 31, 2018, that describes each expenditure made from the grant of money from July 1, 2017, through June 30, 2018;

2. Prepare and transmit a report to the Office of Finance in the Office of the Governor and the Interim Finance Committee on or before July 31, 2019, that describes each expenditure made from the grant of money from July 1, 2018, through June 30, 2019; and

3. Upon request of the Legislative Commission, make available to the Legislative Auditor any of the books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise, of the nonprofit organization, regardless of their form or location, that the Legislative Auditor deems necessary to conduct an audit of the use of the grant of money.

Sec. 38. 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 and NRS 387.193 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 or before February 1, May 1, August 1 and November 1 of ~~[2018,]~~ 2020, 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 each quarter of the school year. This determination governs the distribution of money pursuant to this subsection until the next 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 and NRS 387.193, to the extent that the Superintendent incurs any cost the Superintendent would not have incurred but for the enactment of this section and NRS 387.193, but in no case exceeding the amount authorized by statute for this purpose.

Sec. 39. NRS 391A.575 is hereby amended to read as follows:

391A.575 1. The Teach Nevada Scholarship Program Account is hereby created in the State General Fund. The Account must be administered by the State Board.

2. The interest and income earned on:

(a) The money in the Account, after deducting any applicable charges; and  
(b) Unexpended appropriations made to the Account from the State General Fund,

↪ must be credited to the Account.

3. Any money remaining in the Account at the end of a fiscal year including, without limitation, any unexpended appropriations made to the Account from the State General Fund does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

4. The State Board may accept gifts and grants of money from any source for deposit in the Account.

5. The money in the Account may only be used to ~~award~~ :

(a) Award grants to universities, colleges and other providers of an alternative licensure program that are approved to award Teach Nevada Scholarships pursuant to NRS 391A.585.

(b) Disburse the money retained pursuant to paragraph (b) of subsection 2 of NRS 391A.580 to a scholarship recipient who meets the requirements of subsection 4 of NRS 391A.585.

Sec. 40. NRS 391A.580 is hereby amended to read as follows:

391A.580 1. A public or private university, college or other provider of an alternative licensure program in this State is eligible to apply to the State Board for a grant from the Account to award scholarships to students who attend the university, college or other provider of an alternative licensure program to complete a program offered by the university, college or other provider of an alternative licensure program that has been approved by the State Board and which:

(a) Upon completion makes a student eligible to obtain a license to teach kindergarten, any grade from grades 1 through 12 or in the subject area of special education in this State; or

(b) Allows a student to specialize in the subject area of early childhood education.

2. The State Board shall:

(a) Establish the number of Teach Nevada Scholarships that will be available each year based upon the amount of money available in the Account.

(b) Review all applications submitted pursuant to subsection 1 and award a grant of money from the Account to an approved university, college or other provider of an alternative licensure program to the extent that money is available in an amount determined by the State Board. *The State Board shall retain 25 percent of such an award in the Account for disbursement to a scholarship recipient who meets the requirements of subsection 4 of NRS 391A.585.*

3. The State Board may prioritize the award of grants from the Account to a university, college or other provider of an alternative licensure program that demonstrates the university, college or other provider of an alternative licensure program will provide scholarships to a greater number of recipients who:

(a) Are veterans or the spouses of veterans;

(b) Intend to teach in public schools in this State which have the highest shortage of teachers;

(c) Have been economically disadvantaged or belong to a racial or ethnic minority group; or

(d) Will be eligible to teach in a subject area for which there is a shortage of teachers. Such a subject area may include, without limitation, science, technology, engineering, mathematics, special education or English as a second language.



4. A student may apply for a Teach Nevada Scholarship from a university, college or other provider of an alternative licensure program that receives a grant from the Account only if the student attends or has been accepted to attend the university, college or other provider of an alternative licensure program to complete a program described in subsection 1. An application submitted by the student must identify the program to be completed and the date by which the student must complete the program to finish on schedule.

5. The State Board may adopt any regulations necessary to carry out the provisions of NRS 391A.550 to 391A.590, inclusive.

Sec. 41. NRS 391A.585 is hereby amended to read as follows:

391A.585 1. Each university, college or other provider of an alternative licensure program that is awarded a grant of money from the Account pursuant to NRS 391A.580 shall use the money to award Teach Nevada Scholarships to students who will attend the university, college or other provider of an alternative licensure program with the intent to complete a program described in subsection 1 of NRS 391A.580. Such students may include, without limitation:

(a) Recent high school graduates who enroll in a program described in subsection 1 of NRS 391A.580;

(b) Students who are enrolled at a university or college who change their academic program or major to a program described in subsection 1 of NRS 391A.580;

(c) Students who have completed some credits at a university or college and who enroll in a program described in subsection 1 of NRS 391A.580;

(d) Students who possess a bachelor's degree in a field other than education who pursue an alternative route to licensure as a teacher;

(e) Veterans and the spouses of veterans; and

(f) Students who have had some experience working in a classroom, including, without limitation, as a paraprofessional or substitute teacher.

2. A university, college or other provider of an alternative licensure program may award a Teach Nevada Scholarship to a scholarship recipient in an amount not to exceed \$3,000 per semester or \$24,000 in the aggregate.

3. A university, college or other provider of an alternative licensure program that awards a Teach Nevada Scholarship shall, at the beginning of each semester ~~—~~

~~—(a) Disburse~~ *disburse* to the scholarship recipient 75 percent of the scholarship money awarded to the scholarship recipient for the semester . ~~—~~ ~~and~~

~~—(b) Deposit 25 percent of such money into a trust account established for the scholarship recipient.~~

4. A scholarship recipient may only receive the 25 percent of the scholarship money ~~{deposited in the trust account established}~~ that is retained by the State Board pursuant to paragraph (b) of subsection ~~{3}~~ 2 of NRS 391A.580 if the scholarship recipient:

(a) Completes the program for which he or she was awarded the scholarship;

(b) Maintains employment as a teacher at a public school in this State for 5 consecutive school years immediately following completion of the program ~~unless the State Board waives this requirement for good cause shown;~~ and

(c) Meets any other requirements established by the State Board.

5. To receive the 25 percent of the scholarship money ~~placed into the trust account~~ retained by the State Board pursuant to paragraph (b) of subsection ~~3,~~ 2 of NRS 391A.580, a scholarship recipient who meets the requirements set forth in subsection 4 must request the ~~university, college or other provider of an alternative licensure program that established the trust account to withdraw~~ the State Board to disburse the money within ~~120 days~~ 1 year after the 5-year anniversary of the date on which the scholarship recipient ~~completed the program for which he or she was awarded the scholarship. Any money in a trust account that is not claimed within that time reverts to the university, college or other provider of an alternative licensure program that established the trust account and must be used only to pay any costs associated with a program described in subsection 1 of NRS 391A.580.~~

~~6. If a scholarship recipient fails to meet the requirements of subsection 4, the university, college or other provider of an alternative licensure program that established the trust account for the scholarship recipient must transfer any money in the trust account to the State Board for credit to the Account.~~ meets the requirements of subsection 4.

Sec. 42. NRS 391A.590 is hereby amended to read as follows:

391A.590 1. If a scholarship recipient does not complete the program for which the scholarship was awarded for any reason, including, without limitation, withdrawing from the university, college or other provider of an alternative licensure program or pursuing another course of study, the university, college or other provider of an alternative licensure program that awarded the scholarship must pay to the State Board for credit to the Account:

(a) ~~Any amount of money placed in a trust account on behalf of the scholarship recipient pursuant to NRS 391A.585;~~

~~(b)~~ Any amount of money that the university, college or other provider of an alternative licensure program has received but has not yet disbursed to the scholarship recipient pursuant to NRS 391A.585; and

~~(c)~~ (b) An amount of money equal to the total amount of money disbursed to the scholarship recipient pursuant to NRS 391A.585 or \$1,000, whichever is less.

2. If a scholarship recipient completes the program for which the scholarship was awarded on schedule, as described in the application for the scholarship submitted pursuant to NRS 391A.580, to the extent that money is available for this purpose, the State Board shall pay \$1,000 to the university, college or other provider of an alternative licensure program that awarded the

scholarship. Any money received by a university, college or other provider of an alternative licensure program pursuant to this section must be used to pay costs associated with providing a program described in subsection 1 of NRS 391A.580.

Sec. 43. Any balance remaining on June 30, 2017, in a trust account established for a scholarship recipient by a university, college or other provider of an alternative licensure program pursuant to NRS 391A.585 must be transferred to the State Board of Education for credit to the Teach Nevada Scholarship Program Account created by NRS 391A.575 for disbursement to the scholarship recipient if the scholarship recipient meets the requirements of subsection 4 of NRS 391A.585, as amended by section 41 of this act.

Sec. 44. Section 8 of chapter 4, Statutes of Nevada 2009, as last amended by section 42 of chapter 537, Statutes of Nevada 2015, at page 3758, is hereby amended to read as follows:

Sec. 8. Transitory provision.

1. Notwithstanding the expiration of section 4 of this measure on June 30, 2011, any tax and any interest or penalty owing and unpaid as of that date and collected on or before October 1, 2011, must be paid, deposited and credited to the State General Fund as provided in that section.

2. The Superintendent of Public Instruction shall make the initial transfer from the State Supplemental School Support Account, as required by section 6 of this measure, on or before February 1, ~~2018.~~ 2020.

3. The board of trustees of each school district and the governing body of each charter school shall prepare their initial reports to the Superintendent of Public Instruction, as required by section 6 of this measure, on or before November 10, ~~2018.~~ 2020.

Sec. 45. Section 2 of chapter 485, Statutes of Nevada 2015, at page 2872, is hereby amended to read as follows:

Sec. 2. This act becomes effective on July 1, 2015, and expires by limitation on June 30, ~~2017.~~ 2019.

Sec. 46. 1. This section and sections 1 to 21, inclusive, 23 and 25 to 44, inclusive, of this act become effective on July 1, 2017.

2. Section 22 of this act becomes effective on July 1, 2017, if and only if Senate Bill No. 390 of this session is enacted by the Legislature and approved by the Governor.

3. Section 24 of this act becomes effective on July 1, 2017, if and only if Assembly Bill No. 447 of this session is enacted by the Legislature and approved by the Governor.

Senator Ford moved the adoption of the amendment.

Remarks by Senator Ford.

Amendment No. 1071 to Senate Bill No. 544 transfers the Educational Savings Account allocation to the Distributive Savings Account.

Amendment adopted.

Bill read third time.

Remarks by Senator Woodhouse.

Senate Bill No. 544 appropriates \$1.192 billion in the first year and \$1.182 billion in the second year of the 2017-19 biennium from the State General Fund to the Distributive School Account. In addition, other revenues authorized to be received and expended for the State support of K-12 public education in FY 2018 and FY 2019 total \$390.9 million and \$405.2 million, respectively. These other revenues include an annual excise tax on slot machines, sales tax collected on out-of-state sales, interest earned on the Permanent School Fund, revenue from mineral leases on federal land, room tax revenues from the legislatively-approved 2009 Initiative Petition (IP 1) and recreational and medical marijuana excise taxes. The Statewide average basic support per pupil increases over the upcoming biennium from \$5,774 in the current year to \$5,897 in FY 2018 and \$5,967 in FY 2019. Enrollment is projected to increase to 476,338 pupils in FY 2018 and to 482,292 pupils in FY 2019. The bill includes General Fund appropriations of \$186.7 million in FY 2018 and \$199.8 million in FY 2019 for students with disabilities.

For continued support of the Class-Size Reduction (CSR) program, this bill appropriates \$147.4 million in FY 2018 and \$152.1 million in FY 2019 for salaries and benefits of at least 1,944 teachers hired to reduce pupil-teacher ratios in the first year and 1,968 teachers in the second year of the biennium. The bill continues the CSR program in the DSA and maintains the separate expenditure category to highlight the program. Funds will be allocated based upon the number of teachers needed in each school district to reach the pupil-teacher ratios of 17 to 1 in first and second grades and 20 to 1 in third grade.

Section 14 of the bill continues the flexibility for certain school districts to carry out alternative programs for reducing the ratio of pupils per teacher or to implement remedial programs that have been found to be effective in improving pupil achievement.

This bill appropriates a total of \$76.4 million and \$77.9 million in each year of the 2017-19 biennium to the Other State Education Programs budget. Through this budget, State General Fund support is provided for programs, including but not limited to, Adult High School Diploma, Career and Technical Education, Ready By Grade Three, Jobs for America's Graduates and other miscellaneous programs. Section 17 of the bill includes \$6.4 million in FY 2018 and \$8.3 million in FY 2019 to assist schools in educating students identified as gifted and talented.

The Other State Education Programs budget also includes General Fund support of \$3.3 million in each year of the 2017-19 biennium for competitive grants to school districts and community-based organizations for early childhood education programs. Section 19 provides \$5.0 million in each year of the 2017-19 biennium for the college- and career-readiness grant program. The bill continues funding in the amount of \$2.5 million in both FY 2018 and FY 2019 for the Turnaround Grant program for underperforming schools. General Fund support of \$20.5 million in each fiscal year is provided for the continuation of the Ready By Grade Three program in section 21.

This bill appropriates a total of approximately \$50 million in each year of the 2017-19 biennium to the Account for Programs for Innovation and the Prevention of Remediation with \$38.7 million in each year for transfer to the Clark County School District, \$7.3 million in each year for transfer to the Washoe County School District for continuation of the Zoom School program and \$3.9 million in each year to provide grants of money to the State Public Charter School Authority and to the other 15 school districts for the support of limited English proficient students.

Section 23 appropriates \$10 million in each year of the upcoming biennium for the continuation of the Nevada Ready 21 Technology grant program which provides Statewide one-to-one computing in certain middle schools. The bill also appropriates \$25 million in each fiscal year to continue the Victory Schools grant program to provide additional services to underperforming elementary, middle and high schools.

Section 25 appropriates \$10.7 million in each year and authorizes expenditure of \$478, 127 in each year for a block grant program to support contract or employee social workers or other licensed mental-health workers in schools with identified needs. This bill appropriates

\$2.5 million in each fiscal year to the Account for Programs for Innovation and the Prevention of Remediation to provide financial incentives to newly hired teachers. The bill further appropriates a total of \$7.6 million in each fiscal year to the Professional Development Programs budget for the continued support of the three Regional Professional Development programs to provide professional development to teachers and administrators. Section 30 appropriates \$4.9 million in each fiscal year to the new Great Teaching and Leading Fund for a competitive grant program to invest in high-quality professional development and improve leadership development and the teacher pipeline in the State. Expenditure of \$40,776 of non-General Fund revenue in each fiscal year is also authorized from the Great Teaching and Leading Fund.

Additionally, the bill appropriates \$100 in both FY 2018 and FY 2019 to the Contingency Account for Special Education and authorizes approximately \$2 million in each fiscal year to reimburse school districts and charter schools for extraordinary expenses related to the education of students with disabilities.

The bill also appropriates \$1 million in each year of the 2017-19 biennium to fund the outstanding liability of the cost of the 1/5 retirement credit program in the Grant Fund for Incentives for Licensed Educational Personnel. Section 34 appropriates \$2.5 million in each fiscal year and authorizes \$13,892 in each year to continue the Teach Nevada Scholarship program. The bill also appropriates a total of \$5 million over the 2017-19 biennium to the Teachers' School Supplies Reimbursement Account.

Finally, the bill temporarily transfers estimated funding of \$185.1 million and \$191.1 million in FY 2018 and FY 2019, respectively, from the State Supplemental School Support Account to the Distributive School Account as a State funding source for the 2017-19 biennium.

**Roll call on Senate Bill No. 544:**

YEAS—12.

NAYS—None.

ABSENT—Gansert, Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Roberson, Settlemeyer—9.

Senate Bill No. 544 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

**Senate Bill No. 545.**

Bill read third time.

Remarks by Woodhouse, Harris, Roberson, Spearman, Hammond and Atkinson.

**SENATOR WOODHOUSE:**

Senate Bill No. 545 represents authority for agencies to collect and expend monies including federal funds, gifts, grants, interagency transfers, service fees and other funds, which total \$16.2 billion over the 2017-19 biennium. Additionally, due to specific statutory language for these agencies, Senate Bill No. 545 includes authority for the Gaming Control Board and the Nevada Gaming Commission to expend \$60.9 million from the General Fund over the 2017-19 biennium. Similarly, the bill includes authority for Nevada Department of Transportation to expend \$650.1 million from the Highway Fund over the 2017-19 biennium.

The money committees approved the Governor's recommendation to authorize \$2.5 million of Renewable Energy Abatement Tax revenue in each year of the 2017-19 biennium to continue the Direct Energy Assistance Loan or DEAL program, the Home Energy Retrofit Opportunity for Seniors or HEROS program and the Performance Contract Audit Assistance or PCAA program. The money committees also approved \$1 million of Renewable Energy Abatement Tax revenue in FY 2018 to assist Nevada in securing the federal Frontier Observatory for Research in Geothermal Energy or FORGE project.

The money committees approved the Governor's recommendation to use National Mortgage Settlement funds of \$12.8 million over the 2017-19 biennium to continue funding the Housing

Call Center, Financial Guidance Center, Legal Services contracts for the Home Again program, as well as the Criminal Mortgage Fraud unit, the Financial Fraud unit and transfers to non-profit legal entities to provide guardianship abuse assistance to Nevada consumers.

The money committees further approved \$5.5 million in settlement funds to establish a new State Settlements budget and approved a \$1.3 million transfer in settlement funds to the Department of Business and Industry to support the Consumer Affairs Unit and \$205,000 over the biennium for the Confidential Address Program which was transferred from the Attorney General's Office to the Division of Child and Family Services pursuant to Senate Bill No. 25. A reserve balance of \$4 million remains in the new State Settlement budget.

The money committees approved Endowment Account funds of \$3.6 million over the 2017-19 biennium to fund \$50 deposits into College Kick Start accounts for public school kindergarten students.

The money committees approved replacing General Fund appropriations of \$575,000 in each year of the 2017-19 biennium with fees from misdemeanor and felony convictions of driving under the influence to serve participants in specialty court programs.

The money committees approved \$209,000 for the licensing of an IT cloud-based e-mail solution for Department of Administration employees.

The money committees approved the Governor's recommendation to eliminate three vacant Accounting Assistant positions and to add a new Administrative Services Officer position.

Contingent upon passage and approval of enabling legislation, the money committees approved expenditures of \$1.5 million over the 2017-19 biennium to implement a new E-Procurement system funded by a new vendor administrative fee. The money committees also approved adding one unclassified attorney position to assist with solicitation and procurement processes.

The money committees approved eliminating written employment tests, as recommended by the Governor, including the elimination of two filled positions generating savings totaling \$350,000 over the 2017-19 biennium.

The money committees approved \$98.1 million in authorized revenues for the Division of Enterprise IT Services (EITS) for the 2017-19 biennium. The money committees approved the intra-division transfer of 21 positions in 5 EITS budgets to better align employee duties with budgets and to improve customer service. The money committees approved \$6.9 million, including a \$2 million loan from the General Fund for bandwidth enhancements. A sum of \$3.4 million was approved by the money committees for cybersecurity initiatives to enhance the State's ability to detect, prevent and respond to cyber-attacks and includes a \$804,000 interest-free General Fund loan to EITS. The money committees chose not to eliminate two positions in order to preserve the agency's planning capabilities and approved a total of 9.51 new positions to address an increasing workload, new technology and to improve customer service.

The money committees approved \$1.5 million in the 2017-19 biennium to fund deferred maintenance projects throughout the State. Inspection fees totaling \$2.2 million were approved to fund three new project management and eight construction inspection positions resulting from the workload increase in the State's Capital Improvement Program.

The money committees approved the Governor's recommendation to fund 16 new positions for the Department of Taxation and funding for local government to carry out the provisions of the Regulation and Taxation of the Marijuana Act and the transfer of the net proceeds to the Distributive School Account (DSA).

In addition, contingent upon Senate Bill No. 487 or other enabling legislation, the money committees approved the transfer of the Medical Marijuana Establishment program to the Department of Taxation, to align the operational and revenue structures of both the medical and recreational marijuana programs; including an increase to the excise tax on medical marijuana from the rate of 2 percent upon each wholesale sale of marijuana by a cultivation facility to 15 percent on the wholesale sale of marijuana, consistent with the 15 percent excise tax on the wholesale sale of recreational marijuana. Finally, the proceeds of the excise tax on medical marijuana distributed to the DSA would be consistent with recreational marijuana, in that the amount distributed would be after the costs of the department and the local governments, instead of as currently required by statute, 75 percent of the proceeds of the excise taxes on medical

marijuana establishments to the DSA in the State General Fund and 25 percent to pay the costs of the Division of Public and Behavioral Health in carrying out the laws of this State relating to medical marijuana establishments. The marijuana programs for both recreational and medical marijuana under the Department of Taxation would be funded with revenues from application and license fees and the 15-percent excise tax on marijuana wholesale sales totaling \$72.8 million over the 2017-19 biennium, of which \$48.7 million is projected to transfer to the DSA.

Funding for public schools was considered separately in the school funding bill, which contains funding for basic support, class-size reduction, English learners, teacher and administrator training, teacher incentives, early childhood education, educational technology, career and technical education, adult education, contingency for special education services, teachers' school supplies reimbursement, Teach Nevada Scholarship and other State education programs. In closing the Department of Education budgets, the money committees approved a total of \$558.1 million in federal revenue authority over the 2017-19 biennium. Federal funds will be utilized to continue Title I programs enhance teacher quality and State assessments, continue career and technical education programs and for the support of teaching students with disabilities. The money committees also approved reserve reductions of \$815,000 over the 2017-19 biennium to continue the implementation of a new educator licensure system and fund the maintenance costs associated with this system in the Educator Licensure budget.

In closing the State Public Charter School Authority budgets, the money committees approved reserve reductions totaling \$950,000 over the 2017-19 biennium to fund 4 new positions to support the agency's charter authorizer responsibilities, as recommended by the Governor.

In closing the budgets of the Nevada System of Higher Education, the money committees approved revenue from all sources totaling \$1.9 billion for the 2017-19 biennium. Non-General Fund revenues total \$673.1 million, or 35.5 percent of total funding, and include student registration fees, non-resident tuition, student application fees, federal and county revenues, operating capital investment income and an interagency transfer of funds from the Governor's Office of Workforce Innovation.

The money committees continued the policy adopted by the 2013 and 2015 Legislatures that non-General Fund revenues should not offset the amount of General Fund appropriations for State-supported operating budgets for the Nevada System of Higher Education. Finally, the money committees continued the policy adopted by the 2015 Legislature that allows institutions to expend any increases in nonresident tuition, registration fee and miscellaneous student fee revenues above budgeted authority without having to receive approval from the Interim Finance Committee.

Total authorizations to the Department of Agricultural increased by 38.2 percent or \$123.2 million when compared to the 2015-2017 legislatively-approved amount primarily due to an increase in federal program funding for nutrition education and commodity food programs. The money committees approved funding for five new positions to perform grants management/monitoring to manage global positioning data and information Department wide, to support the Drought Monitoring Program, the nutrition education program and to manage procurement activities for federal food programs.

The money committees approved the Governor's recommendation to eliminate seven vacant unclassified positions in the Investigation Division resulting in a \$1.3 million reduction in the transfer of Investigation Fees over the biennium.

In closing the budgets for the Department of Business and Industry, the money committees authorized funding of \$289.8 million over the 2017-19 biennium.

The money committees approved transferring settlement funds from the Office of the Attorney General totaling \$1.3 million over the 2017-19 biennium to support 6.5 full-time equivalent positions to retain the Consumer Affairs Unit.

The money committees concurred with the Governor's recommendation to merge the Manufactured Housing Division with the Housing Division; to establish a new Housing Inspection and Compliance budget and to add one new unclassified Affordable Housing Advocate position to provide advocacy services on behalf of Nevada residents regarding housing issues. The money committees also approved the consolidation of the Mobile Lot Rent Subsidy

budget and the Low Income Housing Trust Fund budget and the addition of two new low-income housing federal grants totaling \$3.4 million in each year of the 2017-19 biennium, and one new Grants and Projects Analyst position to perform the fiscal and regulatory requirements of these new grants.

The money committees approved the Governor's recommendation to support an expanded drug-testing program of unarmed combatants funded with a reduction to reserves of \$310,000 per year. Additionally, the money committees approved the Governor's recommendation to automate office administration systems. Further, the money committees approved the Governor's recommendation for an unclassified Chief Assistant position.

To address declining taxicab trip-charge revenues, the money committees approved eliminating 15 positions, a 21.7 percent reduction in the agency's staffing, for savings of \$2.5 million over the 2017-19 biennium.

To provide additional staff to regulate transportation network companies, the money committees approved 9 new positions, instead of the 2 positions recommended by the Governor, funded with transportation network company assessments totaling \$1.7 million over the 2017-19 biennium.

The money committees approved reserve reductions of \$465,000 over the 2017-19 biennium to add 3 new Mortgage Lending Examiner positions to assist in performing additional examinations of mortgage servicer licensees and to address a backlog in mortgage lending examinations.

The money committees authorized revenues of \$36.5 million for the Governor's Office of Economic Development, which includes \$7.0 million for the State Small Business Credit Initiative program and \$5.2 million for the Rural Community Development program.

The money committees authorized room tax revenues of \$25.0 million in FY 2018 and \$25.7 million in FY 2019 reflecting significant increases from FY 2016 actual receipts of \$22.6 million. The money committees approved the Governor's recommendation to reinstate the \$20 license-plate renewal fee for license plates commemorating the 150th anniversary of Nevada's admission to the union to fund educational initiatives related to Nevada's history and heritage. The money committees also approved funding the Division of Museums and History with 55-percent room tax transfer revenue from the Division of Tourism instead of the historical 50-percent amount. Finally, the money committees approved room tax transfer funding of \$100,000 in each year of the 2017-19 biennium from the Division of Tourism to the Nevada Arts Council to fund Partners in Excellence Grant awards and a new arts tourism campaign that would market Nevada as a cultural/heritage destination.

In closing the budgets administered by the Department of Health and Human Services Director's Office; the money committees approved the Healthy Nevada Fund spending plan recommended by the Governor for the Grants Management Unit, which allocates tobacco settlement funds totaling \$16.7 million over the biennium, including: \$1 million for a new Health Center Incubator project; \$4 million for food security; \$760,000 for suicide prevention; \$300,000 for immunization; \$1.22 million for the Nevada 2-1-1 System; \$2.70 million for differential response; \$2.73 million for Family Resource Centers; \$3.02 million for disability grants, and \$949,000 for administrative costs.

The money committees also approved \$28.3 million in federal Title XX funds over the biennium to provide grants to State agencies and nonprofit organizations to support health and social service programs and approved \$950,000 over the biennium in Temporary Assistance for Needy Families (TANF) reserve funds for statewide Hunger One-Stop Shops.

The money committees approved \$133,000 per year in tobacco settlement funds to support a full-time position to administer the Office of Minority Health within the Department of Health and Human Services and the newly-established Nevada Minority Health and Equality Coalition.

In closing the budgets of the Aging and Disability Services Division, the money committees approved non-General Fund revenues totaling \$338 million over the 2017-19 biennium.

The money committees approved an increase to the monthly caseload for the Autism Treatment Assistance Program (ATAP) from an average of 642 children per month in FY 2016 to an average of 819 children per month in FY 2019. The money committees approved the conversion of 25 contracted case managers to State positions as well as the addition of two new supervisory positions to oversee the State positions within the ATAP.



The money committees approved replacing \$2 million in tobacco settlement funds with TANF funds over the 2017-19 biennium to provide monthly cash assistance to low-income families who care for relatives with profound or severe mental disabilities in their homes or have children under 6 years of age with developmental delays.

Based on expected caseload growth across the 3 regional centers, the money committees approved additional funding totaling \$99 million, \$47.2 million in Medicaid funding, for 40 new positions and for Residential Support, Family Support/Respite and Jobs and Day Training expenditures. The money committees approved the addition of two new Clinical Program Manager positions at Sierra Regional Center and Desert Regional Center to oversee intensive-care coordination services provided to children with intellectual disabilities as well as behavioral health needs, in addition to a reimbursement rate enhancement of \$5.50 per hour for providers of these services.

In closing the budgets of the Division of Health Care Financing and Policy, the money committees approved non-General Fund revenues totaling \$6.9 billion over the 2017-19 biennium. The funding supports the Medicaid program monthly caseload projected at approximately 663,000 in FY 2018 and 679,000 in FY 2019.

The money committees approved several discretionary provider reimbursement-rate increases for the Medicaid and Check Up programs, including a rate increase for adult-day health-care services of 5.4 percent for community providers and by 28.8 percent for services provided by other divisions within the Department of Health and Human Services, a rate increase of 15 percent for assisted living services, a rate increase of 10 percent for skilled nursing facilities and hospital swing beds and a rate increase of 15 percent for all pediatric surgical specialties to equal the current rates for pediatric-cardiac surgical services. The money committees also approved a \$5.50 per hour rate enhancement for behaviorally complex services provided through the Supported Living Arrangements program within the Aging and Disability Services Division.

The money committees approved federally required expanded coverage for home health and durable medical equipment and optional coverage for gender-reassignment surgery for individuals diagnosed with gender dysphoria. The money committees also approved the addition of Registered Dietitians as independent practitioners and the expansion of podiatry services to adult Medicaid recipients.

The money committees approved implementing a number of cost savings measures for the Medicaid and Check Up programs, generating cost savings totaling \$213.0 million, including \$129.9 million in non-General Fund savings over the 2017-19 biennium. The cost saving measures approved by the money committees include reducing medical service utilization by aiming to transition recipients out of long-term care and into community-based care when appropriate, eliminating duplicative nursing services and requiring a prior authorization certifying a terminal illness diagnosis for hospice recipients, reducing hours for targeted case management provided to non-seriously emotionally disturbed and non-severely mentally ill recipients and for basic skills training, and eliminating minor malocclusions as a covered diagnosis for orthodontic services.

The money committees also approved rate adjustments for non-emergency transportation, durable medical equipment, basic skills training, ambulatory surgical centers and laboratory services. Funding reductions approved by the money committees include the revision of the Federal Medical Assistance Percentage rates used in prior supplemental payments; the implementation of a federally-mandated asset verification system for aged, blind and disabled Medicaid recipients; the automation of the Medicare buy-in process, and a change in pharmacy dispensing fees.

The money committees approved an uncapped average monthly Check Up caseload of 28,003 in FY 2018 and 29,317 in FY 2019. Finally, the money committees approved 10 of the 12 new positions recommended for the division by the Governor to address federal mandates and to enhance support for the division's programs.

In closing the budgets of the Division of Public and Behavioral Health, the money committees approved total funding of \$741.6 million over the 2017-19 biennium, of which \$457.8 million was authorized in non-General Fund revenue sources. Based on revised AIDS Drug Assistance rebate revenue projections, the money committees approved an increase of \$7.2 million per year for the Communicable Diseases budget. Contingent upon passage and

approval of Senate Bill No. 487, or other enabling legislation, the money committees approved the transfer of the Medical Marijuana Establishments program, including 12 positions and \$7.3 million in funding to the Department of Taxation.

The money committees authorized revenue of \$515.8 million over the 2017-19 biennium for the Division of Welfare and Supportive Services. The money committees approved federal TANF savings of approximately \$6.0 million over the biennium resulting from projected caseload decreases. TANF transfers totaling \$2.7 million were approved over the 2017-19 biennium to support programs within the Department of Health and Human Services. The money committees approved outsourcing the functions of the Division's Document Imaging Unit, including the elimination of 44 intermittent positions and one permanent position. In addition, the money committees approved the elimination of 19 permanent and 2 intermittent positions due to gains in efficiency and the development of a new staffing methodology. Both initiatives are expected to reduce the division's revenue authority by \$1.3 million over the 2017-19 biennium.

The money committees did not approve the Governor's recommendation to outsource the child support State Collections and Disbursement Unit and instead chose to maintain an in-house unit including 17 positions. Accordingly, the money committees authorized \$800,000 over the biennium to replace the existing Child Support Enforcement Program's Collection and Distribution System with a new software solution. The money committees approved \$30.2 million over the 2017-19 biennium to provide child-care assistance to qualified low-income Nevada families.

A sum of \$3.8 million in federal funding was approved to support a federal recommendation to reimburse child-care centers rated by the Quality Rating Improvement System (QRIS) up to the 75th percentile of a market rate survey. An additional \$1.1 million over the 2017-19 biennium, which was not included in the Governor's recommended budget, was approved by the money committees to address the waitlist of child-care centers that have not received a QRIS rating. For the Energy Assistance Program, the money committees approved a reduction of \$5.9 million in authorized revenue due to a decline in anticipated funding.

In closing the budgets of the Division of Child and Family Services, the money committees approved non-General Fund revenues totaling \$291.7 million over the 2017-19 biennium. These revenues include federal grants and county assessments, which support projected caseload increases in foster care and adoption subsidies, child protective services and juvenile justice services.

The money committees authorized additional federal Title IV-E revenues of \$3.4 million to increase expenditure authority for existing mandated Statewide core training for social workers for the 2017-19 biennium to a total of \$5 million. Additionally, the money committees authorized an increase to the China Spring/Aurora Pines youth camp budget of \$324,000 over the 2017-19 biennium, to address a projected salary deficit and an increase in the Douglas County cost allocation, funded by county participation fees.

In closing the budgets of the Department of Employment, Training and Rehabilitation, the money committees authorized total non-General Fund revenues of \$340 million over the 2017-19 biennium. The money committees approved the Governor's recommendation to transfer the Preferred Purchase Program from the Department of Employment, Training and Rehabilitation to the Department of Administration, Purchasing Division, contingent upon the passage and approval of Assembly Bill No. 483 or other enabling legislation. The money committees approved the Governor's recommendation for a new Information Technician position in the Las Vegas Bureau of Disability Adjudication office, and the reclassification of an existing Bureau Chief to a Deputy Administrator. The money committees also approved the Governor's recommendation to transfer 12 positions and associated costs from the Services to the Blind and Visually Impaired budget to the Bureau of Vocational Rehabilitation budget to more accurately portray how funding and services are being provided by the agency.

The money committees approved the Governor's recommendation to fund a new Training Officer position and a new Statewide Coordinator position for the Vocational Rehabilitation Division. The money committees also approved the Governor's recommendation to reclassify a vacant Administrative Assistant position to a Rehabilitation Counselor position that would assist participants in the CareerConnect program at Truckee Meadows Community College.

The money committees approved the transfer of the Commission on Postsecondary Education to the Employment Security Division, as recommended by the Governor, including 4 positions and non-General Fund revenues totaling \$200,000 over the 2017-19 biennium, contingent upon the passage and approval of Assembly Bill No. 484 or other enabling legislation. However, the money committees did not approve the Governor's recommendation to transfer Adult Basic Education and Adult Literacy programs from the Department of Education to the Employment Security Division.

To address decreasing Unemployment Insurance grant funding, the money committees approved the Governor's recommendation to eliminate 20 full-time positions beginning July 1, 2017, generating savings of \$2.7 million over the 2017-19 biennium. The money committees approved the cost-neutral conversion of 24 intermittent positions that provide Veterans Services and services to unemployment insurance benefit recipients through JobConnect centers to permanent positions to improve staff retention, as recommended by the Governor. Finally, the money committees approved separating Employment Service and Unemployment Insurance programs into two budgets to enhance transparency.

The money committees approved a portion of the Governor's recommendation to reorganize the Financial Management Unit, including reclassifying four positions, but did not approve one new position recommended for the unit. The money committees also did not recommend approval of the Governor's recommendation to add a second Deputy Director for the Department.

The money committees approved funding of \$301,000 over the 2017-19 biennium for bond service payments associated with the Motor Vehicle Pollution Control budget's share of the new DMV field office in South Reno. The money committees also approved directing the department to accelerate repayments to the Highway Fund for the construction of the license plate factory, utilizing reserve amounts greater than \$1 million in the License Plate Factory budget.

In closing the budgets for the Department of Public Safety, the money committees approved funding of \$475.4 million over the 2017-19 biennium of which \$202.7 million was unauthorized in non-General Fund and non-Highway Fund revenue sources.

The money committees approved grant funding of \$472,000 over the 2017-19 biennium to support access charges for body-worn cameras. In an effort to reduce teen motor vehicle crashes and support the expansion of the Driving Responsibly Includes Vehicle Education or DRIVE Program. The money committees approved grant funding of \$133,000 over the 2017-19 biennium. The money committees also approved transfers from the Nevada Department of Transportation of \$298,000 FY 2018, which is 95-percent federal funding and 5-percent Highway Fund appropriations, to complete the implementation phase of Mobile Data Computer (MDC) project and \$178,000 in FY 2019 to replace 35 MDCs purchased in FY 2015. Mobile Data Computers allow officers to access various data including computer aided dispatch service and records management.

The money committees approved federal funding of \$673,000 over the 2017-19 biennium to support the addition of three new DPS Officer positions for federal Motor Carrier Safety Assistance Program activities.

The money committees approved the addition of 31 non-sworn positions in FY 2018 and 1 additional non-sworn position in FY 2019 to provide court-related services and pre-sentence investigations, and adjust P&P specialist staffing ratios, resulting in additional funding of \$3.9 million over the 2017-19 biennium, including an increase in county reimbursements of \$2.7 million. As recommended by the Governor, the money committees approved federal funds of \$152,000 over the 2017-19 biennium to add an Interoperability Coordinator position to provide a single point of contact of interoperability emergency communications to the State of Nevada.

The money committees approved reserve funding of \$4.3 million over the 2017-19 biennium for the third phase of the Nevada Criminal Justice Information System Modernization Project. The money committees also approved reserve funding of \$114,000 in FY 2018 to support 8 additional months of the Disposition Backfill Project.

The money committees approved decommissioning the Elko Communications Center, eliminating four and transferring five Public Safety Dispatch positions to the Carson City Communications Center and reducing cost allocation reimbursements by \$663,000 over the

2017-19 biennium, as recommended by the Governor. The money committees also approved transferring the Warrants Unit to the Nevada Highway Patrol budget and reducing cost allocation transfers of \$1.2 million over the 2017-19 biennium.

For the Department of Conservation and Natural Resources, the money committees authorized total funding of \$194.0 million over the 2017-19 biennium. The money committees approved language in the Authorizations Act to allow funds in the Account to Restore the Sagebrush Ecosystem remaining at the end of FY 2017 to be balanced forward to FY 2018 and to specify that remaining funds do not revert to the General Fund. Further, the money committees approved establishing revenue and expenditure authority for the Account to Restore the Sagebrush Ecosystem budget totaling \$2 million over the 2017-19 biennium.

The money committees approved the Governor's recommendation for budgetary changes to the Off-Highway Vehicle Program, which include consolidating funding for the Off-Highway Vehicle grants into one category, establishing a 90-day reserve, and funding for board and commission pay, contingent upon the passage of Assembly Bill 29 or other enabling legislation.

For the Division of Environmental Protection, the money committees approved the Governor's recommendation to establish a new Storm Water Branch under the Bureau of Water Pollution Control and the addition of two new positions and one reclassified position funded with fees totaling \$526,000 over the 2017-19 biennium. In addition, the money committees approved the Governor's recommendation of \$527,000 for the Division's Storm Water Program.

The money committees authorized funding to modify the department's information systems to implement license simplification measures contained in Senate Bill No. 511. The money committees also authorized Sportsmen Revenue totaling \$69,000 to replace the department's current email and outreach marketing system and \$40,000 for equipment, travel and training to establish a Wildlife/Human Attack Response Team within the department. Additionally, the money committees authorized \$50,000 in each year of the 2017-19 biennium to create a comprehensive, centralized, web-accessible database to allow better access to the department's science-based data. Finally, the money committees approved two new Biologist positions: one for the Game Management budget to address increasing urban wildlife conflicts and provide support for other department surveys, and one to be stationed at the Bureau of Land Management's Ely Seed Warehouse.

For the Department of Transportation, the money committees authorized funding of \$678.2 million in FY 2018 and \$669.5 million in FY 2019, including \$419.8 million in FY 2018 and \$416.2 million in FY 2019 to support highway and other capital construction. The money committees approved 19 new positions for the department, including 10 positions to establish a new maintenance crew in Southern Nevada and a new maintenance crew in Northwestern Nevada. The money committees also approved the Governor's recommendation for the sale of highway revenue bonds of \$180.0 million in FY 2018 to complete construction of Project NEON in Las Vegas to improve traffic flow in the spaghetti bowl area.

The money committees authorized a total of \$476.1 million in FY 2018 and \$476.9 million in FY 2019 for the Public Employees' Benefits Program. With the exception of modifying enhanced Health Savings Account/Health Reimbursement Arrangement contributions to be tied to the completion of preventive services, the plan design for the 2017-19 biennium did not change significantly from FY 2017, the current plan year. The money committees approved the Governor's recommendation, as amended, for a plan benefits design that shifts a number of enhanced benefits to the base plan design funded with State contributions and participant premiums and a revision in the percentage of group insurance costs that are funded by the State.

Although the Governor did not recommend modifying non-state, non-Medicare retiree premiums, the money committees approved aligning the monthly premium paid by a non-state, non-Medicare retiree with a similarly participating, same plan and tier, State non-Medicare retiree effective July 1, 2017, which would lower monthly premiums for non-state, non-Medicare retirees and require local governments to contribute additional funding in support of their retirees, with increased local government support phased in over a four-year period, contingent upon the passage and approval of enabling legislation. Finally, as approved by the money committees, the State's contribution for active employee group insurance will be \$743.00 per month for FY 2018 and \$740.92 per month for FY 2019. The State's base subsidy

for non-Medicare retiree health insurance will be \$445.03 in FY 2016 and \$451.23 in FY 2017. For Medicare retirees, the base subsidy will be \$12 per month per year of service credit.

The money committees approved a budget amendment to eliminate 37 State Army Military Security Officer positions and authorize federal funds of \$1.2 million for contract security each year of the 2017-19 biennium and \$370,000 per year for additional contract costs that may be needed for increased security threats or for physical security improvements at bases throughout the State.

The money committees authorized funding of \$55 million over the 2017-19 biennium for the Department of Veterans Services, which is 0.8 percent less than the amount authorized in the 2015-17 biennium. Additionally, the money committees approved transferring \$2 million from the Southern Nevada Veterans Home to the new Northern Nevada Veterans Home in Sparks, which has an anticipated completion date of December 2018.

The money committees authorized revenues of \$54.3 million over the 2017-19 biennium and did not approve the Governor's recommendation to transition the Exchange to a privately developed health-insurance exchange but instead directed the agency to continue using Healthcare.gov as its technology platform. Accordingly, the money committees approved funding of \$6.2 million in FY 2018 and \$9.3 million in FY 2019 to remain on Healthcare.gov and directed the agency to approach the 2019 Legislature or the Interim Finance Committee, as necessary, with a plan to transition to a private exchange if it is determined to be in the best interest of the State.

SENATOR HARRIS:

I sit on the board of a non-profit, low-income manufactured housing entity, and I have abstained from votes on those accounts during Committee meetings because it was unknown how those votes would impact the entity. My vote today is on the budget in general, but I will be abstaining from those accounts in particular as I have during the entire Session.

SENATOR ROBERSON:

On January 24, 2017, I put out a statement that read: "The ESA program is crucial to ensuring Nevada families have every opportunity to provide their children with the education that best fits their needs. This program was passed into law in 2015 and found to be constitutional by the courts. Now, Governor Sandoval has included \$60,000,000 in his Executive Budget for ESAs. If Democrats in the Legislature do not want to come to the table in good faith and have this discussion, that is their prerogative, but let me make this absolutely clear, I will not vote for a final budget that does not include funding for ESAs. No ESA funding, no budget." Nothing has changed on June 1, 2017; therefore, I will be voting "no" today.

SENATOR SPEARMAN:

I am glad my colleague from District No. 20 mentioned it is important to correctly fund schools for children. Throughout this Legislative session, there has not been a Health and Human Services Committee meeting where my heart has not been broken because we are not doing the right thing for the members of our communities who are differently abled. We considered a bill, yesterday, that had to be scaled back because the funding requested would have expanded the program to include those who are blind or visually impaired. We are not those people. We are not. Should we be voting on a budget that includes funding for private schools? I cannot support money going to private schools while we have members of our differently-abled community who have no school. We do not have a school here for the deaf, hard of hearing, speech impaired, blind or visually impaired. Who are we when we do not consider that first? School choice? The parents of these children have no choice except to send their children out of State, and that is wrong. We should be discussing how we are going to build a school for the deaf, hard of hearing, speech impaired, blind and differently abled. I am appalled we have not considered that before now. These parents deserve that. We can find money to expand vouchers for private schools, but we cannot find money to build a school for those who are differently abled?

For the last two months, I have been working with Gary Folsom to identify ways to get money to fund a new commission for the blind, deaf, hard of hearing and speech impaired. How can we fund a new commission to advocate on behalf of these students? We have whittled it

down to a cost of \$25,000, less than 4 percent of what we are talking about giving to private schools. We have not been able to find \$25,000 for our deaf, hard of hearing and speech impaired community, and yet we continue to talk about choice? But what do these parents do? We often hear it said that our schools are failing our children. We are failing the children who are differently abled. How do we exist as a State, when we have 8,410 students who are speech and language impaired, 524 who are hearing impaired, 1,992 who are hearing impaired? This is not right. If we have money to expand educational opportunities and we as a Body cannot look first at the differently-abled communities, as my colleague Debbie Smith would say, shame on us. We cannot talk about private schools which exist in abundance when there are no schools for these students. Who are we? Who are we? We quibble about how to expand Medicaid payments. We have hospitals that treat the indigent and the poor and provide uncompensated care, yet we have money to expand private school education? We have a problem in this State addressing mental-health issues, and we quibble about how we are going to pay that, and we scale back or move funds around? Who are we?

Governor Sandoval, in his 2015 State of the State address, challenged us to lead. I rise asking my colleagues to think about those parents who have no choice. Think about our differently-abled communities. Think about expanding funding for Medicaid. Who are we? Do we answer the call to lead? I say we lead by prioritizing our funds for our differently-abled community and those who are the least among us. We cannot have any other discussion until we discuss this first. It is unfair to them until we do.

SENATOR HAMMOND:

Some of my colleagues may not have carefully read the bill. We are not asking to fund more private or other schools; we are asking to fund students. This type of program has been instituted in Arizona for several years. Those students who have difficulties in school are getting the help they need, and parents are able to make choices. We have not been able to find the money suggested. Another bill suggests giving \$15 million in tax credits to the movie industry; this would be a start in helping out in other areas. In January, I committed to the families who signed up for a program where they wanted a solution for their students, whether it be in a private or other school program. The ESA program allows parents to customize an education around their child's needs. That has not changed and will not change. I made a commitment, and, today, I will honor that commitment.

SENATOR ATKINSON:

I rise to echo the comments of my colleague from Senate District No. 1. We have differences in philosophy in this Body, but we should not have a difference in educating our children. The children and communities I represent are not included in the ESA program. For the Minority Leader to say there will be no budget without it, does the Body no good. The voters made a decision in November and put us in charge based on the policies and ideas we presented. There should be relevance to that. The ESA does not sit well with me and some of my colleagues; some of us consider it a coupon for wealthy families. We do not like the challenge that we will be kept here without a budget because we will not fund coupons for wealthy families. I have been here for 57 extra days before, and I am willing to sit it out. If the Governor and the Minority Party wish to keep us here at an additional cost of \$55,000 a day to hand out coupons to wealthy families, you will have to answer to them. I know what we need to do, and our colleagues know what we need to do. But, to threaten us? We must do the people's business and fund our budget as proposed. If not, I have been here for an extended time before.

Roll call on Senate Bill No. 545:

YEAS—12.

NAYS—Gansert, Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Roberson, Settlemeyer—9.

Senate Bill No. 545 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 546.

Bill read third time.

Remarks by Senator Woodhouse.

Senate Bill No. 546 provides for the implementation of the 2017 Capital Improvement Program as approved by the money committees. The bill includes funding in the amount of \$354.1 million for the Capital Improvement Program. The bill includes the following major funding sources to support the program: \$201.4 million in general obligation bonds; \$48.3 million in agency and donor funds to support Nevada System of Higher Education, Department of Tourism and Cultural Affairs, Department of Wildlife and Department of Administration projects; \$48.0 million in General Fund appropriations; \$36.5 million in federal funds for Office of the Military projects; \$12.1 million in excess funding reallocated from projects approved in prior Capital Improvement Programs; \$4.3 million in State Highway Funds for Department of Motor Vehicles and Department of Public Safety projects; and \$3.5 million in slot tax funding from the Special Higher Education Capital Construction Fund.

Senate Bill No. 546 provides \$229.1 million to support 11 construction projects in the 2017 Capital Improvement Program. Notable construction projects include: \$11.3 million to fund the Northern Nevada Correctional Center Americans with Disabilities Act (ADA) code compliance retrofit; \$42 million to construct a new 57,825 square foot Department of Motor Vehicles south Reno facility; \$37.1 million to construct a new 78,000 square foot National Guard Readiness Center in North Las Vegas; \$84.7 to construct a new 86,242 square foot Engineering Building at the University of Nevada, Reno; and \$36 million to advance the construction of the new Northern Nevada Veterans Home in Sparks.

Senate Bill No. 546 provides \$97.4 million for various maintenance projects for existing State facilities; \$10.3 million for advance planning and design projects; and \$17.3 million for statewide projects, including roofing repairs, advance planning, paving, building official, fire and life safety and accessibility projects. The maintenance projects include approximately \$44.7 million for the Department of Corrections for replacement of HVAC systems, doors and locks, water systems, plumbing fixtures, air handling units and shower and restroom renovations; \$15.9 million to address deferred maintenance projects including central plant renovations, electrical, plumbing and cooling systems and a domestic and fire water system for the Department of Administration; and \$15 million to address deferred maintenance projects for institutions of the Nevada System of Higher Education.

The planning projects include: \$541,783 for the advance planning of a Southern Nevada Fleet Service Maintenance facility at the Grant Sawyer building; \$1.5 million for the advance planning of a new Housing unit at Southern Desert Correctional Center; \$4.4 million for the advance planning of a new Health and Sciences Building at the College of Southern Nevada; and \$3.5 million for the advance planning of a new Academic Building at the Nevada State College.

The bill includes a 15.45-cent property tax levy for debt service in each year of the 2017-19 biennium for general obligation bonds issued to finance the Capital Improvement Program. The bill includes an additional 1.55-cent levy that must be used exclusively for the repayment of bonded indebtedness issued as a result of the approval by the voters of Question 1 on the November 2002 ballot. The approval of Question 1 by the voters authorized the issuance of bonds not to exceed \$200 million to protect, preserve and obtain the benefits of the property and natural resources of the State. The total property tax levy of 17 cents remains unchanged from the levies approved for the 2015-17 biennium. The levies above the historic 15-cent levy, 2 cents, are not subject to the \$3.64 local government property tax cap.

Roll call on Senate Bill No. 546:

YEAS—12.

NAYS—Gansert, Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Roberson, Settlemeyer—9.

Senate Bill No. 546 having failed to receive a two-thirds majority, Mr. President declared it lost.

Senator Ford moved that the Senate recess subject to the call of the Chair.  
Motion carried.

Senate in recess at 4:13 p.m.

#### SENATE IN SESSION

At 4:23 p.m.  
President Hutchison presiding.  
Quorum present.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 528.  
Bill read third time.  
Remarks by Senators Goicoechea and Denis.

#### SENATOR GOICOECHEA:

Senate Bill No. 528 appropriates \$100,000 from the State General Fund in each year of the 2017-19 biennium to the State's Fund for Aviation. The bill requires these funds to be used to match money that is available from the Federal Aviation Administration for the enlargement, improvement or maintenance of rural airports, landing areas or air navigation facilities in Nevada. Typically, \$4 of these matched dollars return \$96 in federal funds.

#### SENATOR DENIS:

I stand in support of Senate Bill No. 528. I have visited some of the rural airports, and have seen what they have. The fact that we can help improve these airports with a small investment is great. I also thought that supporting the things in Senate Bill No. 546 such as building an engineering building for UNR, the Northern Nevada Veteran's Home, the Nevada State College education building and the CSN health science building was the right thing to do. We need to get down to business and vote for the things Nevada needs and stop playing political games. We need to support these types of bills that help our State as we move forward.

Roll call on Senate Bill No. 528:

YEAS—19.  
NAYS—None.  
ABSENT—Settelmeyer.  
EXCUSED—Gansert.

Senate Bill No. 528 having received a constitutional majority,  
Mr. President declared it passed.

Bill ordered transmitted to the Assembly

Senate Bill No. 529.  
Bill read third time.  
Remarks by Senator Denis.

Senate Bill No. 529 makes an appropriation of \$2,441,115 from the State General Fund to the Division of Emergency Management of the Department of Public Safety for costs associated with emergency responses to flood events that occurred in 2017.

Roll call on Senate Bill No. 529:

YEAS—20.  
NAYS—None.  
EXCUSED—Gansert.



Senate Bill No. 529 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 530.

Bill read third time.

Remarks by Senator Woodhouse.

Senate Bill No. 530 appropriates \$3,683,512 from the General Fund and authorizes \$24,370,876 not appropriated from the General Fund or Highway Fund to the Division of Health Care Financing and Policy to complete the third and final phase of the Medicaid Management Information System modernization project over the 2017-19 biennium.

Roll call on Senate Bill No. 530:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 530 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 531.

Bill read third time.

Remarks by Senator Denis.

Senate Bill No. 531 appropriates to the Aging and Disability Services Division \$453,533 for deferred maintenance and building remodel projects at Desert Regional Center. In addition, Senate Bill No. 531 appropriates \$454,915 from the General Fund and authorizes \$221,825 from non-General Fund or Highway Fund sources to transition Early Intervention Services to an information system platform for the purposes of fiscal and case management.

Roll call on Senate Bill No. 531:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 531 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 532.

Bill read third time.

Remarks by Senator Woodhouse.

Senate Bill No. 532 appropriates \$293,774 from the General Fund to the Division of Public and Behavioral Health for a laboratory information system to support onsite medical laboratory testing for the Southern Nevada Adult Mental Health Services budget. Additionally, Senate Bill No. 532 appropriates \$1,653,039 from the General Fund to the Division of Public and Behavioral Health for an integrated medication-management system for the Division.

Roll call on Senate Bill No. 532:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 532 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 533.

Bill read third time.

Remarks by Senator Denis.

Senate Bill No. 533 makes appropriations to the Division of Welfare and Supportive Services of the Department of Health and Human Services for four information-system projects as follows: section 1 appropriates General Funds of \$127,500 and authorizes other funds of \$1,147,500 for a master client index to develop a cross index of all databases of the Department; section 2 appropriates General Funds of \$1,000,000 and authorizes other funds of \$9,000,000 for the modernization of Access Nevada to provide clients of the Division with the opportunity to submit electronic applications for Medicaid, the Supplemental Nutrition Assistance Program and the Temporary Assistance for Needy Families program; section 3 appropriates General Funds of \$407,673 and authorizes other funds of \$3,458,225 for a case-management system to allow for the "no wrong door" approach to serving clients throughout the Department, and section 4 appropriates General Funds of \$9,304,699 and authorizes other funds of \$20,120,886 for the second phase of the modernization of the automated processing system for the child-support enforcement program.

Roll call on Senate Bill No. 533:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 533 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 534.

Bill read third time.

Remarks by Senator Woodhouse.

Senate Bill No. 534 appropriates \$2,839,710 from the State General Fund to the Division of Child and Family Services of the Department of Health and Human Services for deferred maintenance projects essential for the security and operation of: the Summit View Youth Center, \$152,000; the Caliente Youth Center, \$900,256; the Nevada Youth Training Center, \$1,429,662; northern Nevada Child and Adolescent Services, \$70,927; and southern Nevada Child and Adolescent Services, \$286,865.

Roll call on Senate Bill No. 534:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 534 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 536.

Bill read third time.

Remarks by Senators Denis and Cancela.

SENATOR DENIS:

Section 1 of Senate Bill No. 536 provides General Fund appropriations to the Division of State Parks for the following projects: subsection 1 of section 1 appropriates from the State General Fund \$1.2 million for the stabilization and restoration of the ruins located at Fort Churchill State Historic Park. Subsection 2 of section 1 appropriates from the State General Fund \$550,000 for the construction of cabins at the Walker River State Recreation Area. Subsection 3 of section 1 includes a General Fund appropriation of \$750,000 for the construction of a campground with full hook-ups at the Walker River State Recreation Area. Subsection 4 of section 1 of the bill includes authority of \$1.2 million for funds not appropriated from the State General Fund or the State Highway Fund for same purpose as identified in subsection 3 of section 1. Subsection 5 of section 1 appropriates from the State General Fund, \$168,000 for the construction of pull-through campsites at 10 State Park campgrounds. Finally, subsection 6 of section 1 appropriates from the State General Fund the sum of \$159,000 for the construction of cabins at the Wild Horse State Recreation Area. In addition, section 2 of Senate Bill No. 536 requires any remaining balance of the appropriations made by section 1 must not be committed for expenditures after June 30, 2019, and any portion remaining, must be reverted to the State General Fund on or before September 20, 2019.

SENATOR CANCELA:

I rise in support of Senate Bill No. 536. Earlier this Session, we had the opportunity to visit the land at the Walker River, and it is beautiful. It has not been made public since Statehood, and this is a tremendous opportunity for the State.

Roll call on Senate Bill No. 536:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 536 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 537.

Bill read third time.

Remarks by Senator Goicoechea.

Section 1 of Senate Bill No. 537 provides General Fund appropriations to the Division of Forestry for the following: subsection 1 of section 1 appropriates from the State General Fund \$314,008 for a rescue hoist for the Air Operations Program. Subsection 2 of section 1 appropriates from the State General Fund, \$149,249 for a helitack mechanic truck. Subsection 3 of section 1 appropriates from the State General Fund, \$472,650 for deferred maintenance projects. Finally, subsection 4 of section 1 appropriates from the State General Fund \$348,004 to the Division of Forestry conservation camps for deferred maintenance projects. In addition, section 2 of Senate Bill No. 537 requires any remaining balance of the appropriations made by section 1 must not be committed for expenditure after June 30, 2019, and any portion remaining must be reverted to the State General Fund on or before September 20, 2019.

Roll call on Senate Bill No. 537:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 537 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

## GENERAL FILE AND THIRD READING

Assembly Bill No. 7.

Bill read third time.

Remarks by Senator Harris.

Assembly Bill No. 7 revises various provisions related to education. Among other provisions, the bill makes changes to conform with federal law and updates relevant statutory references. It revises provisions relating to annual reports of accountability, school plans for improving student achievement, assessments used to determine student achievement and end-of-course examinations.

The bill also makes various changes regarding high school diplomas, including a new requirement for the State Board of Education to prescribe the criteria for a student to receive a college and career-ready high school diploma with certain endorsement options. To the extent money is available, Nevada's Department of Education will conduct a public awareness campaign regarding diploma options.

Assembly Bill No. 7 further revises provisions concerning the college- and career-readiness assessment taken by students in grade 11 and for what purposes the assessment may be used. The bill prohibits the counting of certain students in grade 12 as full-time students for apportionment purposes unless particular conditions are met. Finally, Assembly Bill No. 7 revises provisions regarding educator evaluations and observations as well as qualifications of certain teachers and paraprofessionals.

Roll call on Assembly Bill No. 7:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Assembly Bill No. 7 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 52.

Bill read third time.

Senator Ford moved that the bill be taken from the General File and placed on the Secretary's desk.

Motion carried.

Assembly Bill No. 124.

Bill read third time.

Remarks by Senator Gustavson.

Assembly Bill No. 124 requires the Commission on Professional Standards in Education to prescribe, by regulation, the Nevada Model Code of Educator Ethics concerning interpersonal interactions and communications between educators and students. The bill also creates the Nevada Educator Code of Ethics Advisory Group to provide recommendations regarding the Code and to perform related duties. The bill sets out certain topics the Code must address and requires educational personnel to receive training. The Code must also be posted online and provided to certain entities.

Roll call on Assembly Bill No. 124:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Assembly Bill No. 124 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 296.

Bill read third time.

Remarks by Senator Cannizzaro.

Assembly Bill No. 296 requires the Legislative Counsel to assign a number to a bill draft request in the order in which the request is received. The prohibition against assigning a number until sufficient detail has been received by the Legislative Counsel to allow complete drafting of the legislative measure is eliminated.

Roll call on Assembly Bill No. 296:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Assembly Bill No. 296 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 303.

Bill read third time.

Remarks by Senator Cannizzaro.

Assembly Bill No. 303 requires, with certain exceptions, that all correctional facilities in this State that house prisoners must be under the administrative and direct operational control of the State or a local government and core correctional services must be performed by employees of the State or local government.

The Department of Corrections, until June 30, 2022 is allowed to enter into one or more contracts with private entities to perform core correctional services to promote the safety of prisoners, employees of prisons and the public by reducing overcrowding in prisons. Any such entity must comply with the requirements for housing, custody, medical and mental-health treatment and programming set forth in law and regulation and approved by the Board of State Prison Commissioners. The Department is required to conduct an onsite inspection of private facilities where prisoners are housed twice a year to ensure compliance. Conditions for the transfer of a prisoner to a facility that is located outside of Nevada are set. Lastly, the Director is required to submit an annual report to the Director of the Legislative Counsel Bureau for transmittal to the Legislative Commission.

Roll call on Assembly Bill No. 303:

YEAS—12.

NAYS—Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Roberson, Settlemeyer—8.

EXCUSED—Gansert.

Assembly Bill No. 303 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 327.

Bill read third time.

**Remarks by Senator Segerblom.**

Assembly Bill No. 327 changes the way records are sealed to simplify things. Now, if a person has a problem with a municipal, district or justice court record, they have to go to each court to resolve it. This bill combines the actions so a person can go to a district court judge who has the power to seal all records. It also reduces the amount of time for sealing. Where a felony is now 15 years, it will be lowered to 10 years, for example, or the records can be sealed after serving a sentence and completing probation.

**Roll call on Assembly Bill No. 327:**

YEAS—12.

NAYS—Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Roberson, Settelmeyer—8.

EXCUSED—Gansert.

Assembly Bill No. 327 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

**Assembly Bill No. 343.**

Bill read third time.

**Remarks by Senator Segerblom.**

Assembly Bill No. 343 requires the Legislative Committee on Health Care to conduct an interim study of the current rates paid by the State to group homes contracted with Southern Nevada Adult Mental Health Services. The study must include an evaluation of the impact of a change in rates, including the impact on federal and State funding for group homes. We heard testimony that there has not been an increase in their pay for over ten years, and they need one.

**Roll call on Assembly Bill No. 343:**

YEAS—18.

NAYS—Kieckhefer, Roberson—2.

EXCUSED—Gansert.

Assembly Bill No. 343 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

**Assembly Bill No. 354.**

Bill read third time.

**Remarks by Senator Atkinson.**

Assembly Bill No. 354 requires the Director of the Department of Employment, Training and Rehabilitation (DETR) to provide the Director of the Legislative Counsel Bureau (LCB) with a quarterly report containing the unemployment rate of residents of this State regarding whom the Department has information, organized by county, and for each county, the unemployment rate disaggregated by demographic factors including age, race and gender. It also requires the Governor's Workforce Investment Board, DETR, to coordinate efforts to reduce the unemployment rate of a demographic group if that group's unemployment rate meets certain criteria and provide a report to LCB describing those efforts. The bill further requires the Office of Workforce Innovation within the Office of the Governor to submit to LCB an annual report on the statewide longitudinal data system.

The provisions of this bill related to the Statewide longitudinal data system are effective on July 1, 2017, if the Legislature enacts and the Governor approves Senate Bill No. 516 of this Session. The remaining provisions are effective upon passage and approval for the purpose of adopting regulations and performing other necessary administrative tasks and on July 1, 2017, for all other purposes.

Roll call on Assembly Bill No. 354:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Assembly Bill No. 354 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 467.

Bill read third time.

Remarks by Senator Settlemeyer.

Assembly Bill No. 467 requires the Governor to appoint an alternate member for each member appointed to the five-member Personnel Commission in the Division of Human Resource Management of the Department of Administration. The alternate shall serve when the regular member is unable to attend a meeting of the Commission. In addition, the bill increases the quorum of the Commission from three members to five members and clarifies that a majority vote of the five members is required for any official action taken by the Commission.

Roll call on Assembly Bill No. 467:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Assembly Bill No. 467 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 494.

Bill read third time.

Remarks by Senator Woodhouse.

Assembly Bill No. 494 appropriates \$5,800,224 from the General Fund and authorizes \$124,074,692 not appropriated from the General Fund or Highway Fund for a projected shortfall resulting from an increase in the Medicaid caseload over the amount legislatively approved for FY 2016 and FY 2017.

Roll call on Assembly Bill No. 494:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Assembly Bill No. 494 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

#### REPORTS OF COMMITTEES

*Mr. President:*

Your Committee on Education, to which was re-referred Senate Bill No. 178, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MOISES DENIS, *Chair*

## SECOND READING AND AMENDMENT

Senate Bill No. 543.

Bill read second time and ordered to third reading.

Assembly Bill No. 127.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 1063.

SUMMARY—Revises provisions relating to emergencies in schools.  
(BDR 34-196)

AN ACT relating to education; requiring school districts in certain counties to appoint an emergency manager; requiring boards of trustees of school districts and governing bodies of charter schools to consult with certain persons and entities before constructing, expanding or remodeling buildings for schools or related facilities or acquiring sites for those purposes; requiring the Department of Education to conduct an annual conference regarding safety in public schools; requiring the State Public Charter School Authority to annually discuss safety in charter schools at a meeting, workshop or conference; requiring the Department, to the extent that money is available, to make block grants to provide certain mental health workers in public schools; revising provisions governing the development and contents of a plan to respond to a crisis or an emergency in a school; revising provisions governing emergency drills in schools; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for crisis and emergency response in public schools. (NRS 388.229-388.261) Section 4 of this bill requires each school district in a county whose population is 100,000 or more (currently Clark and Washoe Counties) to designate an employee to serve as an emergency manager, whose duties are defined in that section. Section 5 of this bill requires the board of trustees of each school district and the governing body of each charter school to consult with the emergency manager, the chief of school police or his or her designee, or the Division of Emergency Management of the Department of Public Safety, as applicable, before: (1) designing, constructing or purchasing new school buildings or related facilities; (2) enlarging, remodeling or renovating existing school buildings or related facilities; or (3) acquiring sites for building schools or related facilities.

Section 6 of this bill requires the Department of Education to coordinate with the Division of Emergency Management, any emergency manager, any chief of police of a school district that has police officers and any school resource officer to conduct an annual conference regarding safety in public schools. Section 6 additionally requires the board of trustees of each school district ~~and the governing body of each charter school~~ to designate certain persons to attend this conference ~~and~~ and authorizes certain other persons to



attend the conference. Section 6 also requires the State Public Charter School Authority to annually discuss safety in charter schools at a designated meeting of the Authority or at a workshop or conference coordinated by the Authority. Finally, section 6 requires the governing body of each charter school to designate persons to attend such a meeting, workshop or conference.

Section 7 of this bill requires the Department of Education, to the extent that money is available for the purpose, to: (1) develop and carry into effect a program of block grants; and (2) make and administer block grants to school districts and charter schools to employ or contract with social workers and other mental health workers in schools with identified needs.

Existing law requires the Department of Education to develop a model plan for the management of a crisis or emergency in a public school, including a charter school, and a private school. Among other requirements, the model plan must include a procedure for carrying out a lockdown at a school. (NRS 388.253) Section 2 of this bill defines "lockdown" for these purposes. Existing law also requires the board of trustees of a school district and the governing body of a charter school to establish a development committee to develop a plan to be used by each public school of the school district or the charter school, as applicable, in responding to a crisis or an emergency and requires the development committee to consult with certain persons and entities when developing the plan. (NRS 388.241, 388.243) Section 9 of this bill requires each development committee, when developing the plan, to also consult with an emergency manager, a school resource officer or the chief of school police of the school district, if such a person exists in the school district.

Existing law requires each school district, each charter school and each private school to provide drills for pupils at least once each month during the school year to instruct those pupils in the procedures to be followed in the event of a fire or other emergency. (NRS 392.450, 394.170) Sections 13 and 14 of this bill require at least one-half of these drills to include instruction in appropriate procedures to be followed in the event of a lockdown, as defined in section 2 of this bill. Sections 13 and 14 also revise provisions governing the emergency drills conducted at a school located in a city or town to require the drills to be approved by the chief of the fire department of the city or town or voluntary fire department, as applicable. Finally, section 13 requires: (1) any public school located in a county whose population is less than 100,000 (currently all counties other than Clark and Washoe Counties) to conduct the drills under the supervision of the person designated for that purpose by the board of trustees of the school district or the governing body of the charter school, as applicable; and (2) a public school located in a county whose population is 100,000 or more (currently Clark and Washoe Counties) to conduct such drills under the supervision of the emergency manager.

WHEREAS, The Legislature recognizes that it is of utmost importance that the public schools in this State are built and maintained in a manner which provides the greatest protection for pupils and staff against harm; and

WHEREAS, Each school must be built and maintained to meet or exceed recommended safety standards and be designed to anticipate and protect against modern threats; and

WHEREAS, Academic achievement of pupils is adversely affected when the pupils do not feel safe from harm; and

WHEREAS, Acts of violence which occur at schools have devastating effects on pupils which may include depression, fear and inappropriate behavior; and

WHEREAS, Efforts must be taken to mitigate acts of violence at schools; and

WHEREAS, Social workers and other licensed mental health workers who are employed by schools help ensure the safety of pupils, prevent violent and other inappropriate actions by pupils and address the overall well-being of pupils by assessing the needs of pupils and providing pupils with necessary mental health services, counseling and other assistance; and

WHEREAS, The Legislature hereby finds and declares that it is optimal to have a ratio of at least 1 social worker or licensed health worker per 250 pupils; and

WHEREAS, Each school district must ensure that administrators, teachers and other staff are properly trained regarding the appropriate response to a crisis and crisis management, prevention of violence and emergency response planning so that all schools are prepared to respond appropriately to a crisis or emergency and to quickly mitigate any effects of such a crisis or emergency; now, therefore,

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

Section 1. Chapter 388 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. *"Lockdown" means a circumstance in which the persons on school property are restricted to the interior of a school building and isolated from threats until the school property and surrounding vicinity are deemed to be secure by:*

1. *If the school district has school police officers, the chief of school police of the school district or a person designated by him or her; or*

2. *If the school district does not have school police officers, the school resource officer or a person designated by him or her or, if the school district does not have school resource officers, a local law enforcement agency.*

Sec. 3. *"School resource officer" means a deputy sheriff or other peace officer employed by a local law enforcement agency who is assigned to duty at one or more schools, interacts directly with pupils and whose responsibilities include, without limitation, providing guidance and*

information to pupils, families and educational personnel concerning the avoidance and prevention of crime.

Sec. 4. Each school district in a county whose population is 100,000 or more shall designate a full-time employee to serve as an emergency manager whose job responsibilities are focused solely on the planning and coordination of available resources for the mitigation of, preparation and training for, response to and recovery from emergencies or crises.

Sec. 5. 1. The board of trustees of each school district and the governing body of each charter school shall consult with the person described in subsection 2 or 3, as applicable, regarding safety in schools before:

(a) Designing, constructing or purchasing new buildings for schools or related facilities;

(b) Enlarging, remodeling or renovating existing buildings for schools or related facilities; or

(c) Acquiring sites for building schools or related facilities.

2. In a county whose population is 100,000 or more, the board of trustees of a school district or the governing body of a charter school that plans to take an action described in subsection 1 shall consult with the emergency manager designated pursuant to section 4 of this act or, if the school district has school police officers, the chief of school police of the school district or a person designated by him or her.

3. In a county whose population is less than 100,000, the board of trustees of a school district or the governing body of a charter school that plans to take an action described in subsection 1 shall consult with:

(a) If the school district has school police officers, the chief of school police of the school district or a person designated by him or her or, if the school district has designated a full-time employee to serve as an emergency manager, the emergency manager; or

(b) If the county has not designated a full-time employee to serve as an emergency manager and does not have school police officers, the Division of Emergency Management of the Department of Public Safety.

Sec. 6. 1. The Department of Education shall, at least once each year, coordinate with the Division of Emergency Management of the Department of Public Safety, any emergency manager designated pursuant to section 4 of this act, any chief of police of a school district that has police officers and any school resource officer to conduct a conference regarding safety in public schools.

2. The board of trustees of each school district ~~and the governing body of each charter school~~ shall designate persons to attend the conference held pursuant to subsection 1. The persons so designated must include, without limitation:

(a) An administrator from the school district; ~~for charter school, as applicable;~~

(b) If the school district has school resource officers, a school resource officer or a person designated by him or her;

(c) If the school district has school police officers, the chief of school police of the school district or a person designated by him or her; and

(d) If the school district has an emergency manager designated pursuant to section 4 of this act, the emergency manager.

3. The conference conducted pursuant to subsection 1 may be attended by:

(a) A licensed teacher of a school or charter school;

(b) Educational support personnel employed by a school district or charter school;

(c) The parent or legal guardian of a pupil who is enrolled in a public school; and

(d) An employee of a local law enforcement agency.

4. The State Public Charter School Authority shall annually, at a designated meeting of the State Public Charter School Authority or at a workshop or conference coordinated by the State Public Charter School Authority, discuss safety in charter schools. The governing body of each charter school shall designate persons to attend a meeting, workshop or conference at which such a discussion will take place pursuant to this subsection.

Sec. 7. To the extent that money is available for the purpose, the Department shall:

1. Develop and carry into effect a program of block grants for the purposes described in subsection 2; and

2. Make and administer block grants to school districts and charter schools to employ or contract with social workers and other mental health workers in schools with identified needs.

Sec. 8. NRS 388.229 is hereby amended to read as follows:

388.229 As used in NRS 388.229 to 388.261, inclusive, and sections 2 to 7, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 388.231 to 388.235, inclusive, and sections 2 and 3 of this act have the meanings ascribed to them in those sections.

Sec. 9. NRS 388.243 is hereby amended to read as follows:

388.243 1. Each development committee established by the board of trustees of a school district shall develop one plan to be used by all the public schools other than the charter schools in the school district in responding to a crisis or an emergency. Each development committee established by the governing body of a charter school shall develop a plan to be used by the charter school in responding to a crisis or an emergency. Each development committee shall, when developing the plan, consult with:

(a) The local social service agencies and local public safety agencies in the county in which its school district or charter school is located.

(b) If the school district has an emergency manager designated pursuant to section 4 of this act, the emergency manager.

(c) *If the school district has school resource officers, a school resource officer or a person designated by him or her.*

(d) *If the school district has school police officers, the chief of school police of the school district or a person designated by him or her.*

(e) The director of the local organization for emergency management or, if there is no local organization for emergency management, with the Chief of the Division of Emergency Management of the Department of Public Safety or his or her designee.

2. The plan developed pursuant to subsection 1 must include, without limitation:

(a) The plans, procedures and information included in the model plan developed by the Department pursuant to NRS 388.253;

(b) A procedure for responding to a crisis or an emergency and for responding during the period after a crisis or an emergency has concluded, including, without limitation, a crisis or an emergency that results in immediate physical harm to a pupil or employee of a school in the school district or the charter school; and

(c) A procedure for enforcing discipline within a school in the school district or the charter school and for obtaining and maintaining a safe and orderly environment during a crisis or an emergency.

3. Each development committee shall provide a copy of the plan that it develops pursuant to this section to the board of trustees of the school district that established the committee or the governing body of the charter school that established the committee.

4. Except as otherwise provided in NRS 388.249 and 388.251, each public school, including, without limitation, each charter school, must comply with the plan developed for it pursuant to this section.

Sec. 10. NRS 388.245 is hereby amended to read as follows:

388.245 1. Each development committee shall, at least once each year, review and update as appropriate the plan that it developed pursuant to NRS 388.243. In reviewing and updating the plan, the development committee shall consult with the director of the local organization for emergency management or, if there is no local organization for emergency management, with the Chief of the Division of Emergency Management of the Department of Public Safety or his or her designee.

2. Each development committee shall provide an updated copy of the plan to the board of trustees of the school district that established the committee or the governing body of the charter school that established the committee.

3. The board of trustees of each school district and the governing body of each charter school shall:

(a) Post a notice of the completion of each review and update that its development committee performs pursuant to subsection 1 at each school in its school district or at its charter school;

(b) File with the Department a copy of the notice provided pursuant to paragraph (a);

(c) Post a copy of NRS 388.229 to 388.261, inclusive, *and sections 2 to 7, inclusive, of this act* at each school in its school district or at its charter school;

(d) Retain a copy of each plan developed pursuant to NRS 388.243, each plan updated pursuant to subsection 1 and each deviation approved pursuant to NRS 388.251;

(e) Provide a copy of each plan developed pursuant to NRS 388.243 and each plan updated pursuant to subsection 1 to:

(1) Each local public safety agency in the county in which the school district or charter school is located;

(2) The Division of Emergency Management of the Department of Public Safety; and

(3) The local organization for emergency management, if any;

(f) Upon request, provide a copy of each plan developed pursuant to NRS 388.243 and each plan updated pursuant to subsection 1 to a local agency that is included in the plan and to an employee of a school who is included in the plan;

(g) Provide a copy of each deviation approved pursuant to NRS 388.251 as soon as practicable to:

(1) The Department;

(2) A local public safety agency in the county in which the school district or charter school is located;

(3) The Division of Emergency Management of the Department of Public Safety;

(4) The local organization for emergency management, if any;

(5) A local agency that is included in the plan; and

(6) An employee of a school who is included in the plan; and

(h) At least once each year, provide training in responding to a crisis and training in responding to an emergency to each employee of the school district or of the charter school, including, without limitation, training concerning drills for evacuating and securing schools.

4. The board of trustees of each school district and the governing body of each charter school may apply for and accept gifts, grants and contributions from any public or private source to carry out the provisions of NRS 388.229 to 388.261, inclusive ~~†~~, *and sections 2 to 7, inclusive, of this act.*

Sec. 11. NRS 388.253 is hereby amended to read as follows:

388.253 1. The Department shall, with assistance from other state agencies, including, without limitation, the Division of Emergency Management, the Investigation Division, and the Nevada Highway Patrol Division of the Department of Public Safety, develop a model plan for the management of a crisis or an emergency that involves a public school, including, without limitation, a charter school, or a private school and that

requires immediate action. The model plan must include, without limitation, a procedure for:

- (a) Coordinating the resources of local, state and federal agencies, officers and employees, as appropriate;
- (b) Accounting for all persons within a school;
- (c) Assisting persons within a school in a school district, a charter school or a private school to communicate with each other;
- (d) Assisting persons within a school in a school district, a charter school or a private school to communicate with persons located outside the school, including, without limitation, relatives of pupils and relatives of employees of such a school, the news media and persons from local, state or federal agencies that are responding to a crisis or an emergency;
- (e) Assisting pupils of a school in the school district, a charter school or a private school, employees of such a school and relatives of such pupils and employees to move safely within and away from the school, including, without limitation, a procedure for evacuating the school and a procedure for securing the school;
- (f) Reunifying a pupil with his or her parent or legal guardian;
- (g) Providing any necessary medical assistance;
- (h) Recovering from a crisis or an emergency;
- (i) Carrying out a lockdown at a school ; ~~in which persons are not allowed to enter or exit the school;~~
- (j) Providing shelter in specific areas of a school; and
- (k) Providing specific information relating to managing a crisis or an emergency that is a result of:
  - (1) An incident involving hazardous materials;
  - (2) An incident involving mass casualties;
  - (3) An incident involving an active shooter;
  - (4) An outbreak of disease;
  - (5) Any threat or hazard identified in the hazard mitigation plan of the county in which the school district is located, if such a plan exists; or
  - (6) Any other situation, threat or hazard deemed appropriate.

2. In developing the model plan, the Department shall consider the plans developed pursuant to NRS 388.243 and 394.1687 and updated pursuant to NRS 388.245 and 394.1688.

3. The Department may disseminate to any appropriate local, state or federal agency, officer or employee, as the Department determines is necessary:

- (a) The model plan developed by the Department pursuant to subsection 1;
- (b) A plan developed pursuant to NRS 388.243 or updated pursuant to NRS 388.245;
- (c) A plan developed pursuant to NRS 394.1687 or updated pursuant to NRS 394.1688; and
- (d) A deviation approved pursuant to NRS 388.251 or 394.1692.

4. The Department shall, at least once each year, review and update as appropriate the model plan developed pursuant to subsection 1.

Sec. 12. NRS 388.259 is hereby amended to read as follows:

388.259 A plan developed pursuant to NRS 388.243 or updated pursuant to NRS 388.245, a deviation and any information submitted to a development committee pursuant to NRS 388.249, a deviation approved pursuant to NRS 388.251 and the model plan developed pursuant to NRS 388.253 are confidential and, except as otherwise provided in NRS 239.0115 and NRS 388.229 to 388.261, inclusive, *and sections 2 to 7, inclusive, of this act*, must not be disclosed to any person or government, governmental agency or political subdivision of a government.

Sec. 13. NRS 392.450 is hereby amended to read as follows:

392.450 1. The board of trustees of each school district and the governing body of each charter school shall provide drills for the pupils in the schools in the school district or the charter schools at least once each month during the school year to instruct those pupils in the appropriate procedures to be followed in the event of a *lockdown*, fire or other emergency . ~~[, except a crisis governed by NRS 388.229 to 388.261, inclusive.]~~ Not more than three of ~~[those]~~ *the drills provided pursuant to this subsection* may include instruction in the appropriate procedures to be followed in the event of a chemical explosion, related emergencies and other natural disasters. *At least one-half of the drills provided pursuant to this subsection must include instruction in appropriate procedures to be followed in the event of a lockdown.*

2. In all cities or towns , ~~[which have regularly organized, paid fire departments or voluntary fire departments,]~~ the drills required by subsection 1 must be ~~[conducted under the supervision of]~~ *approved by the* ~~[ ]~~ *chief of the fire department of the city or town, if the city or town has a regularly organized, paid fire department or voluntary fire department. In addition, the drills in each school must be conducted under the supervision of the:*

(a) Person designated for this purpose by the board of trustees of the school district or the governing body of a charter school ~~[, and]~~ *in a county whose population is less than 100,000; or*

(b) ~~[Chief of the fire department of the city or town.]~~ *Emergency manager designated pursuant to section 4 of this act in a county whose population is 100,000 or more.*

3. A diagram of the approved escape route and any other information related to the drills required by subsection 1 which is approved by the chief of the fire department or, if there is no fire department, the State Fire Marshal must be kept posted in every classroom of every public school by the principal or teacher in charge thereof.

4. The principal, teacher or other person in charge of each school building shall cause the provisions of this section to be enforced.

5. Any violation of the provisions of this section is a misdemeanor.



6. *As used in this section, "lockdown" has the meaning ascribed to it in section 2 of this act.*

Sec. 14. NRS 394.170 is hereby amended to read as follows:

394.170 1. The authorities in charge of every private school within this State shall provide drills for the pupils in the schools at least once in each month during the school year to instruct those pupils in the appropriate procedures to be followed in the event of a *lockdown*, fire or other emergency . ~~[except a crisis governed by NRS 394.168 to 394.169, inclusive.]~~ Not more than two of ~~[those]~~ *the drills provided pursuant to this subsection* may include instruction in the appropriate procedures to be followed in the event of a chemical explosion, related emergencies and other natural disasters. *At least one-half of the drills provided pursuant to this subsection must include instruction in the appropriate procedures to be followed in the event of a lockdown.*

2. In all cities or towns , ~~[which have regularly organized, paid fire departments or voluntary fire departments,]~~ the drills required by subsection 1 must be ~~[conducted under the supervision of]~~ *approved by* the chief of the fire department of the city or town ~~[, if the city or town has a regularly organized, paid fire department or voluntary fire department.]~~

3. The State Fire Marshal shall prescribe general regulations governing the drills required by subsection 1 and shall, with the cooperation of the Superintendent of Public Instruction, arrange for the supervision of drills in schools . ~~[where the drills are not supervised pursuant to subsection 2.]~~

4. A copy of this section must be kept posted in every classroom of every private school by the principal or teacher in charge thereof.

5. The principal, teacher or other person in charge of each school building shall cause the provisions of this section to be enforced.

6. Any violation of the provisions of this section is a misdemeanor.

7. *As used in this section, "lockdown" has the meaning ascribed to it in section 2 of this act.*

Sec. 15. NRS 414.135 is hereby amended to read as follows:

414.135 1. There is hereby created in the State General Fund the Emergency Assistance Account. Beginning with the fiscal year that begins on July 1, 1999, the State Controller shall, at the end of each fiscal year, transfer the interest earned during the previous fiscal year on the money in the Disaster Relief Account created pursuant to NRS 353.2735 to the Emergency Assistance Account in an amount not to exceed \$500,000.

2. The Division of Emergency Management of the Department of Public Safety shall administer the Emergency Assistance Account. The Division may adopt regulations authorized by this section before, on or after July 1, 1999.

3. Except as otherwise provided in paragraph (c), all expenditures from the Emergency Assistance Account must be approved in advance by the Division. Except as otherwise provided in subsection 4, all money in the Emergency Assistance Account must be expended:

(a) To provide supplemental emergency assistance to this state or to local governments in this state that are severely and adversely affected by a natural, technological or man-made emergency or disaster for which available resources of this state or the local government are inadequate to provide a satisfactory remedy;

(b) To pay any actual expenses incurred by the Division for administration during a natural, technological or man-made emergency or disaster; and

(c) For any other purpose authorized by the Legislature.

4. Beginning with the fiscal year that begins on July 1, 1999, if any balance remains in the Emergency Assistance Account at the end of a fiscal year and the balance has not otherwise been committed for expenditure, the Division may, with the approval of the Interim Finance Committee, allocate all or any portion of the remaining balance, not to exceed \$250,000, to this state or to a local government to:

(a) Purchase equipment or supplies required for emergency management;

(b) Provide training to personnel related to emergency management; and

(c) Carry out the provisions of NRS 388.229 to 388.261, inclusive ~~{ }~~, and sections 2 to 7, inclusive, of this act.

5. Beginning with the fiscal year that begins on July 1, 1999, the Division shall, at the end of each quarter of a fiscal year, submit to the Interim Finance Committee a report of the expenditures made from the Emergency Assistance Account for the previous quarter.

6. The Division shall adopt such regulations as are necessary to administer the Emergency Assistance Account.

7. The Division may adopt regulations to provide for reimbursement of expenditures made from the Emergency Assistance Account. If the Division requires such reimbursement, the Attorney General shall take such action as is necessary to recover the amount of any unpaid reimbursement plus interest at a rate determined pursuant to NRS 17.130, computed from the date on which the money was removed from the Disaster Relief Account, upon request by the Division.

Sec. 16. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 17. This act becomes effective on July 1, 2017.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 1063 to Assembly Bill No. 127 provides charter schools the necessary flexibility to convene each year and discuss school safety.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 224.

Bill read second time and ordered to third reading.

Assembly Bill No. 280.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 1057.

SUMMARY—Revises provisions relating to preferences in bidding for certain contracts for businesses based in this State. (BDR 27-1060)

AN ACT relating to procurement; establishing provisions relating to preferences in bidding for certain contracts with Nevada-based businesses for state purchasing; revising provisions relating to the disclosure of the weight assigned to certain factors used to evaluate proposals for certain state purchasing contracts; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law grants a preference of 5 percent for a bid or proposal for a state purchasing contract which is submitted by a local business owned and operated by a veteran with a service-connected disability. (NRS 333.3361-333.3369) Sections 2-8 of this bill create a preference of 5 percent for a bid or proposal for a state purchasing contract which is submitted by a Nevada-based business. To qualify for this preference, section 3 requires such a business to certify that: (1) its principal place of business is in this State; or (2) a majority of the goods provided for in a state purchasing contract are produced in this State. Section 5 establishes that :(1) a bid ~~for proposal~~ which qualifies for the preference will be deemed to be 5 percent lower than the bid ~~for proposal~~ actually submitted ; ~~+~~ and (2) a proposal which qualifies for the preference will be deemed to have a score which is 5 percent higher than the score actually awarded. Section 5 also prohibits granting the preference for the award of any contract which uses federal money, unless such a preference is authorized by federal law ;~~+~~ or any contract which has been procured on a multistate basis. Section 6 imposes certain penalties and restrictions upon a business that makes a material misrepresentation or commits a fraudulent act in applying for a preference or fails to comply with the requirements for a preference. Sections 9 and 10 of this bill make conforming changes.

Existing law requires each proposal submitted for certain state purchasing contracts to be evaluated based on certain factors to determine whether the proposal is in the best interest of the State. Each factor is assigned a relative weight which must not be disclosed before the proposals are submitted. (NRS 333.335) Section 9.5 of this bill removes the requirement that the weight of each factor must not be disclosed before the proposals are submitted.

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

Section 1. Chapter 333 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.

Sec. 2. As used in sections 2 to 8, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this act have the meanings ascribed to them in those sections.

Sec. 3. "Nevada-based business" means a business which certifies that:

1. Its principal place of business is in this State; or
2. The majority of goods provided for in a state purchasing contract are produced in this State.

Sec. 4. "State purchasing contract" means a contract awarded pursuant to the provisions of this chapter.

Sec. 5. 1. ~~For the purposes of awarding a formal contract solicited pursuant to subsection 2 of NRS 333.300, if~~ If a business that qualifies as a Nevada-based business ~~and~~ submits a ~~bid or proposal and is a responsive and responsible bidder,~~ :

(a) Bid to furnish commodities that was solicited pursuant to NRS 333.300, the bid ~~for proposal~~ shall be deemed to be 5 percent lower than the bid ~~for proposal~~ actually submitted ~~;~~ ; or

(b) Proposal to contract for services, the score assigned to the proposal pursuant to NRS 333.335 shall be deemed to be 5 percent higher than the score actually awarded.

2. The preference described in subsection 1 may not be:

- (a) Combined with any other preference.
- (b) Granted for the award of any contract which uses federal money unless such a preference is authorized by federal law.
- (c) Granted for the award of any contract procured on a multistate basis.

Sec. 6. 1. In addition to any other remedy or penalty provided by law, if the Purchasing Division determines that a business has made a material misrepresentation or otherwise committed a fraudulent act in applying for a preference described in section 5 of this act or has failed to comply with the requirements of that section, the business:

(a) Shall pay to the Purchasing Division, if awarded a state purchasing contract, a penalty in the amount of 1 percent of the cost of the state purchasing contract;

(b) Shall not bid on a state purchasing contract or a contract awarded by any local government for 1 year after the date upon which the Purchasing Division makes such a determination; and

(c) Shall not apply for or receive a preference described in section 5 of this act for 5 years after the date upon which the Purchasing Division makes such a determination.

2. If the Purchasing Division determines, as described in subsection 1, that a business has made a material misrepresentation or otherwise committed a fraudulent act in applying for a preference described in section 5 of this act or has failed to comply with the requirements of that section, the business may apply to the Administrator to review the decision pursuant to chapter 233B of NRS.

Sec. 7. (Deleted by amendment.)

Sec. 8. *The Purchasing Division may adopt such regulations as it determines to be necessary or advisable to carry out the provisions of sections 2 to 8, inclusive, of this act. The regulations may include, without limitation, provisions setting forth:*

1. *The method by which a business may apply to receive a preference described in section 5 of this act;*
2. *The documentation or other proof that a business must submit to demonstrate that it qualifies for a preference described in section 5 of this act; and*
3. *Such other matters as the Purchasing Division deems relevant.*

Sec. 9. NRS 333.310 is hereby amended to read as follows:

333.310 1. An advertisement must contain a general description of the classes of commodities or services for which a bid or proposal is wanted and must state:

- (a) The name and location of the department, agency, local government, district or institution for which the purchase is to be made.
- (b) Where and how specifications and quotation forms may be obtained.
- (c) If the advertisement is for bids, whether the Administrator is authorized by the using agency to be supplied to consider a bid for an article that is an alternative to the article listed in the original request for bids if:
  - (1) The specifications of the alternative article meet or exceed the specifications of the article listed in the original request for bids;
  - (2) The purchase of the alternative article results in a lower price; and
  - (3) The Administrator deems the purchase of the alternative article to be in the best interests of the State of Nevada.
- (d) Notice of the ~~preference~~ preferences set forth in NRS 333.3366 ~~and section 5 of this act.~~
- (e) The date and time not later than which responses must be received by the Purchasing Division.
- (f) The date and time when responses will be opened.

➔ The Administrator or a designated agent of the Administrator shall approve the copy for the advertisement.

2. Each advertisement must be published:

- (a) In at least one newspaper of general circulation in the State. The selection of the newspaper to carry the advertisement must be made in the manner provided by this chapter for other purchases, on the basis of the lowest price to be secured in relation to the paid circulation; and
- (b) On the Internet website of the Purchasing Division.

Sec. 9.5. NRS 333.335 is hereby amended to read as follows:

333.335 1. Each proposal must be evaluated by:

- (a) The chief of the using agency, or a committee appointed by the chief of the using agency in accordance with the regulations adopted pursuant to NRS 333.135, if the proposal is for a using agency; or
- (b) The Administrator of the Purchasing Division, or a committee appointed by the Administrator in accordance with the regulations adopted

pursuant to NRS 333.135, if the Administrator is responsible for administering the proposal.

2. A committee appointed pursuant to subsection 1 must consist of not less than two members. A majority of the members of the committee must be state officers or employees. The committee may include persons who are not state officers or employees and possess expert knowledge or special expertise that the chief of the using agency or the Administrator of the Purchasing Division determines is necessary to evaluate a proposal. The members of the committee are not entitled to compensation for their service on the committee, except that members of the committee who are state officers or employees are entitled to receive their salaries as state officers and employees. No member of the committee may have a financial interest in a proposal. If the contract is being awarded for the Public Employees' Benefits Program, the Executive Officer of the Program may observe the activities of the committee, but may not vote or otherwise participate in the evaluation.

3. In making an award, the chief of the using agency, the Administrator of the Purchasing Division or each member of the committee, if a committee is established, shall consider and assign a score for each of the following factors for determining whether the proposal is in the best interests of the State of Nevada:

- (a) The experience and financial stability of the person submitting the proposal;
- (b) Whether the proposal complies with the requirements of the request for proposals as prescribed in NRS 333.311;
- (c) The price of the proposal; and
- (d) Any other factor disclosed in the request for proposals.

4. The chief of the using agency, the Administrator of the Purchasing Division or the committee, if a committee is established, shall determine the relative weight of each factor set forth in subsection 3 before a request for proposals is advertised. ~~[The weight of each factor must not be disclosed before the date proposals are required to be submitted.]~~

5. Except as otherwise provided in this subsection, the chief of the using agency, the Administrator of the Purchasing Division or the committee, if a committee is established, shall award the contract based on the best interests of the State, as determined by the total scores assigned pursuant to subsection 3, and is not required to accept the lowest-priced proposal. If the contract is being awarded for the Public Employees' Benefits Program, the Administrator of the Purchasing Division or the committee, if a committee is established, shall submit recommendations for awarding the contract to the Board for the Public Employees' Benefits Program, which shall award the contract in accordance with NRS 287.04345.

6. Except as otherwise provided in NRS 239.0115, each proposal evaluated pursuant to the provisions of this section is confidential and may not be disclosed until the contract is awarded.

Sec. 10. NRS 333.340 is hereby amended to read as follows:

333.340 1. Every contract or order for goods must be awarded to the lowest responsible bidder. To determine the lowest responsible bidder, the Administrator:

(a) Shall consider, if applicable:

- (1) The granting of the preference described in NRS 333.3366.
- (2) *The granting of the preference described in section 5 of this act.*
- (3) The required standards adopted pursuant to NRS 333.4611.

(b) May consider:

- (1) The location of the using agency to be supplied.
- (2) The qualities of the articles to be supplied.
- (3) The total cost of ownership of the articles to be supplied.
- (4) Except as otherwise provided in subparagraph (5), the conformity of the articles to be supplied with the specifications.

(5) If the articles are an alternative to the articles listed in the original request for bids, whether the advertisement for bids included a statement that bids for an alternative article will be considered if:

- (I) The specifications of the alternative article meet or exceed the specifications of the article listed in the original request for bids;
- (II) The purchase of the alternative article results in a lower price; and
- (III) The Administrator deems the purchase of the alternative article to be in the best interests of the State of Nevada.

(6) The purposes for which the articles to be supplied are required.

(7) The dates of delivery of the articles to be supplied.

2. If a contract or an order is not awarded to the lowest bidder, the Administrator shall provide the lowest bidder with a written statement which sets forth the specific reasons that the contract or order was not awarded to him or her.

3. As used in this section, "total cost of ownership" includes, but is not limited to:

- (a) The history of maintenance or repair of the articles;
- (b) The cost of routine maintenance and repair of the articles;
- (c) Any warranties provided in connection with the articles;
- (d) The cost of replacement parts for the articles; and
- (e) The value of the articles as used articles when given in trade on a subsequent purchase.

Sec. 11. NRS 338.0117 is hereby amended to read as follows:

338.0117 1. To qualify to receive a preference in bidding pursuant to subsection 2 of NRS 338.1389, subsection 2 of NRS 338.147, subsection 3 of NRS 338.1693, subsection 3 of NRS 338.1727 or subsection 2 of NRS 408.3886, a contractor, an applicant or a design-build team, respectively, must submit to the public body sponsoring or financing a public work a signed affidavit which certifies that, for the duration of the project, collectively, and not on any specific day:

(a) At least 50 percent of the workers employed on the public work, including, without limitation, any employees of the contractor, applicant or design-build team and of any subcontractor engaged on the public work, will hold a valid driver's license or identification card issued by the Department of Motor Vehicles of the State of Nevada;

(b) All vehicles used primarily for the public work will be:

(1) Registered and partially apportioned to Nevada pursuant to the International Registration Plan, as adopted by the Department of Motor Vehicles pursuant to NRS 706.826; or

(2) Registered in this State;

(c) If applying to receive a preference in bidding pursuant to subsection 3 of NRS 338.1727 or subsection 2 of NRS 408.3886, at least 50 percent of the design professionals working on the public work, including, without limitation, employees of the design-build team and of any subcontractor or consultant engaged in the design of the public work, will have a valid driver's license or identification card issued by the Department of Motor Vehicles of the State of Nevada; and

(d) The contractor, applicant or design-build team and any subcontractor engaged on the public work will maintain and make available for inspection within this State his or her records concerning payroll relating to the public work.

2. Any contract for a public work that is awarded to a contractor, applicant or design-build team who submits the affidavit described in subsection 1 as a result of the contractor, applicant or design-build team receiving a preference in bidding described in subsection 1 must:

(a) Include a provision in the contract that substantially incorporates the requirements of paragraphs (a) to (d), inclusive, of subsection 1; and

(b) Provide that a failure to comply with any requirement of paragraphs (a) to (d), inclusive, of subsection 1 entitles the public body to a penalty only as provided in subsections 5 and 6.

3. A person who submitted a bid on the public work or an entity who believes that a contractor, applicant or design-build team has obtained a preference in bidding as described in subsection 1 but has failed to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1 may file, before the substantial completion of the public work, a written objection with the public body for which the contractor, applicant or design-build team is performing the public work. A written objection authorized pursuant to this subsection must set forth proof or substantiating evidence to support the belief of the person or entity that the contractor, applicant or design-build team has failed to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1.

4. If a public body receives a written objection pursuant to subsection 3, the public body shall determine whether the objection is accompanied by the proof or substantiating evidence required pursuant to that subsection. If the public body determines that the objection is not accompanied by the required



proof or substantiating evidence, the public body shall dismiss the objection. If the public body determines that the objection is accompanied by the required proof or substantiating evidence or if the public body determines on its own initiative that proof or substantiating evidence of a failure to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1 exists, the public body shall determine whether the contractor, applicant or design-build team has failed to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1 and the public body or its authorized representative may proceed to award the contract accordingly or, if the contract has already been awarded, seek the remedy authorized in subsection 5.

5. ~~{A}~~ *In addition to any other remedy or penalty provided by law, a public body may recover, by civil action against the party responsible for a failure to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1, a penalty as described in subsection 6 for a failure to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1. If a public body recovers a penalty pursuant to this subsection, the public body shall report to the State Contractors' Board the date of the failure to comply, the name of each entity which failed to comply and the cost of the contract to which the entity that failed to comply was a party. The Board shall maintain this information for not less than 6 years. Upon request, the Board shall provide this information to any public body or its authorized representative.*

6. If a contractor, applicant or design-build team submits the affidavit described in subsection 1, receives a preference in bidding described in subsection 1 and is awarded the contract as a result of that preference, the contract between the contractor, applicant or design-build team and the public body, each contract between the contractor, applicant or design-build team and a subcontractor and each contract between a subcontractor and a lower tier subcontractor must provide that:

(a) If a party to the contract causes the contractor, applicant or design-build team to fail to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1, the party is liable to the public body for a penalty in the amount of 1 percent of the cost of the largest contract to which he or she is a party;

(b) The right to recover the amount determined pursuant to paragraph (a) by the public body pursuant to subsection 5 may be enforced by the public body directly against the party that caused the failure to comply with a requirement of paragraphs (a) to (d), inclusive, of subsection 1; and

(c) No other party to the contract is liable to the public body for a penalty.

7. A public body that awards a contract for a public work to a contractor, applicant or design-build team who submits the affidavit described in subsection 1 and who receives a preference in bidding described in subsection 1 shall, on or before July 31 of each year, submit a written report to the Director of the Legislative Counsel Bureau for transmittal to the Legislative Commission. The report must include information on each

contract for a public work awarded to a contractor, applicant or design-build team who submits the affidavit described in subsection 1 and who receives a preference in bidding described in subsection 1, including, without limitation, the name of the contractor, applicant or design-build team who was awarded the contract, the cost of the contract, a brief description of the public work and a description of the degree to which the contractor, applicant or design-build team and each subcontractor complied with the requirements of paragraphs (a) to (d), inclusive, of subsection 1.

8. As used in this section:

(a) "Lower tier subcontractor" means a subcontractor who contracts with another subcontractor to provide labor, materials or services to the other subcontractor for a construction project.

(b) "Vehicle used primarily for the public work" does not include any vehicle that is present at the site of the public work only occasionally and for a purpose incidental to the public work including, without limitation, the delivery of materials. Notwithstanding the provisions of this paragraph, the term includes any vehicle which is:

(1) Owned or operated by the contractor or any subcontractor who is engaged on the public work; and

(2) Present at the site of the public work.

Sec. 12. (Deleted by amendment.)

Sec. 13. (Deleted by amendment.)

Sec. 14. (Deleted by amendment.)

Sec. 15. (Deleted by amendment.)

Sec. 16. (Deleted by amendment.)

Sec. 17. This act becomes effective on July 1, 2017.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 1057 to Assembly Bill No. 280 adds Assemblywoman Jill Tolles as a cosponsor; clarifies, because bids for commodities and services are evaluated differently, that a bid from a Nevada-based business for commodities shall be deemed to be 5 percent lower than the bid actually submitted and a bid for services shall be deemed to be 5 percent higher; and excludes any contract procured on behalf of a multistate basis from this preference.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 366.

Bill read second time and ordered to third reading.

Assembly Bill No. 374.

Bill read second time and ordered to third reading.

Assembly Bill No. 428.

Bill read second time and ordered to third reading.

Assembly Bill No. 440.

Bill read second time and ordered to third reading.

Assembly Bill No. 468.

Bill read second time.

The following amendment was proposed by the Committee on Commerce, Labor and Energy:

Amendment No. 1052.

Sec. 2.3. "*Commercial mortgage loan*" means a loan primarily for a business, commercial or agricultural purpose that:

1. *Directly or indirectly, is secured by a lien on commercial property; and*

2. *Is created with the consent of the owner of the commercial property.*

Senator Atkinson moved the adoption of the amendment.

Remarks by Senator Atkinson.

The amendment defines commercial mortgage loan as a loan primarily for a business, commercial or agricultural purpose.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

#### UNFINISHED BUSINESS

##### RECEDE FROM SENATE AMENDMENTS

Senator Cannizzaro moved that the Senate do not recede from its action on Assembly Bill No. 45, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like Committee of the Assembly.

Motion carried.

Bill ordered transmitted to the Assembly.

#### APPOINTMENT OF CONFERENCE COMMITTEES

Mr. President appointed Senators Atkinson, Cannizzaro and Settlemeyer as a Conference Committee to meet with a like Committee of the Assembly for the further consideration of Assembly Bill No. 45.

#### SECOND READING AND AMENDMENT

Senate Bill No. 178.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 847.

SUMMARY—Revises provisions relating to the funding formula for K-12 public education. (BDR 34-792)

~~AN ACT relating to education; ~~revising the Nevada Plan to include a funding multiplier of 2.0 for pupils with disabilities and a funding multiplier that increases incrementally over a 4 year period for pupils who are English learners and pupils who are at risk; requiring the State Board of Education to adopt regulations requiring school districts and charter schools to report the number of pupils enrolled who are identified as English learners and the number of pupils who are at risk; requiring the Department of Education to prescribe annual measurable objectives and performance targets to track the performance of the school districts and charter schools in providing~~~~

~~education and services to such pupils; requiring the submission of an annual report by each school district and charter school which includes their results with respect to the annual objectives and performance targets prescribed for the preceding school year and a plan for meeting those objectives and targets for the ensuing school year;]~~ replacing the term "limited English proficient" with the term "English learner" for consistency with federal law; creating the Account for the New Nevada Education Funding Plan; providing for the distribution of money from the Account for the support of certain pupils who perform below a designated level of proficiency and are English learners or eligible for a free or reduced-price lunch; prescribing the purposes for which such money may be used; requiring the collection and reporting of certain information relating to the use of such money; requiring the Department of Education to contract with an independent consultant to research issues relating to certain categories of pupils; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under the Federal Every Student Succeeds Act, which reauthorized the Elementary and Secondary Education Act of 1965, the term "limited English proficient" was replaced with "English learner." (20 U.S.C. § 7801(20)) Section 1 of this bill makes conforming changes to existing law to replace the term "limited English proficient" with "English learner." (NRS 385.007)

Existing law declares that "the proper objective of state financial aid to public education is to ensure each Nevada child a reasonably equal educational opportunity." (NRS 387.121) To accomplish this objective, the Legislature establishes, during each legislative session and for each school year of the biennium, an estimated statewide average basic support guarantee per pupil. (NRS 387.122) This is the per pupil amount that is "guaranteed" on a statewide basis through a combination of state money and certain local revenues. The basic support guarantee for each school district is computed by multiplying the basic support guarantee per pupil that is established by law for the school district for each school year by pupil enrollment. (NRS 387.121-387.1223)

Commencing with Fiscal Year 2016-2017, the Legislature stated its intent to provide school districts and charter schools with additional resources expressed as a multiplier of the basic support guarantee, to meet the unique needs of certain categories of pupils, including pupils with disabilities, pupils who are English learners, pupils who are at risk and gifted and talented pupils. These additional resources are expressed as a multiplier of the basic support guarantee per pupil. (NRS 387.121, 388.429)

~~[Section 2 of this bill requires the State Board of Education to adopt regulations requiring each school district and charter school to separately report the number of pupils enrolled in the school district or charter school who are identified as English learners and pupils who are at risk. Section 2 also requires the Department of Education to prescribe annual measurable objectives and performance targets to track the performance of the school~~

~~districts and charter schools in providing education and services to pupils who are English learners and to pupils who are at risk. Finally, section 2 requires each school district and charter school to submit an annual report to the Department which includes their results with respect to the annual measurable objectives and performance targets prescribed for the preceding school year and a plan for meeting the objectives and targets prescribed for the ensuing school year.~~

~~Section 4 of this bill provides for a multiplier of 2.0 in the basic support guarantee for each pupil with a disability and a multiplier in the basic support guarantee for each pupil identified as an English learner or identified as at risk as follows: (1) for the 2017-2018 school year, a multiplier of at least 1.05; (2) for the 2018-2019 school year, a multiplier of at least 1.15; (3) for the 2019-2020 school year, a multiplier of at least 1.3; and (4) for the 2020-2021 school year and each school year thereafter, a multiplier of at least 1.5. Only one multiplier is applied if a pupil is identified in both categories of English learner and at risk.~~

~~Section 5 of this bill requires each school district and charter school to submit to the Department a plan to improve the academic performance and proficiency of pupils who are English learners and pupils who are at risk for the 2018-2019 school year. Section 5 also requires the Department to submit to the Legislature before January 1, 2018, the annual measurable objectives and performance targets required by section 2 to track the performance of the school districts and charter schools in providing education and services to pupils who are English learners and to pupils who are at risk.~~ Sections 7-11 of this bill provide school districts and charter schools with additional resources on a per pupil basis. Specifically, section 7 of this bill creates the Account for the New Nevada Education Funding Plan and requires the money in the Account to be used for public schools and public education in the manner set forth in sections 7-11. Section 8 of this bill distributes the money in the Account to public schools for the support of pupils enrolled in each public school who: (1) are English learners or eligible for a free or reduced-price lunch; (2) scored at or below the 25th percentile on certain assessments of proficiency; (3) are not enrolled at a Zoom school or Victory school; and (4) do not have an individualized education program. If an insufficient amount of money exists in the Account to provide \$1,200 for each such pupil in each public school in this State, section 8 requires money to be distributed first to the lowest performing public schools.

Section 9 of this bill prescribes the services for which money received from the Account may be used. To the extent that a use of money from the Account by a public school creates the capacity to serve pupils in addition to those for whom the money was provided, section 9 authorizes a public school to serve additional pupils who scored at or below the 25th percentile on certain assessments of proficiency. Section 9 requires a public school to consult with the staff of the school district in which the public school is located to coordinate the use of money from the Account to maximize the

efficient use of such money. Section 9 also requires a public school to consult with parents and guardians of pupils enrolled in the public school and develop a plan for the use of money from the Account.

Section 10 of this bill prescribes the assessments of proficiency used to determine whether a pupil qualifies for the distribution of money from the Account. Section 11 of this bill requires the Department of Education to prescribe annual measurable objectives and performance targets for public schools that receive money from the Account and requires each such school to submit a report to the school district in which the public school is located measuring the effectiveness of the public school in providing services using money from the Account. Section 11 also requires the submission of such information to the Department for evaluation by an independent evaluator.

Section 14 of this bill requires the Department to contract with an independent consultant to perform research relating to certain categories of pupils and the appropriate funding adjustments for such pupils.

Section 13 of this bill provides an appropriation to the Account for the New Nevada Education Funding Plan for the upcoming biennium and an appropriation to the Department for the costs of the independent consultant selected by the Department pursuant to section 14.

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

Section 1. NRS 385.007 is hereby amended to read as follows:

385.007 As used in this title, unless the context otherwise requires:

1. "Achievement charter school" means a public school operated by a charter management organization, as defined in NRS 388B.020, an educational management organization, as defined in NRS 388B.030, or other person pursuant to a contract with the Achievement School District pursuant to NRS 388B.210 and subject to the provisions of chapter 388B of NRS.

2. "Department" means the Department of Education.

3. *"English learner" has the meaning ascribed to it in 20 U.S.C. § 7801(20).*

4. "Homeschooled child" means a child who receives instruction at home and who is exempt from compulsory attendance pursuant to NRS 392.070, but does not include an opt-in child.

~~{4. "Limited English proficient" has the meaning ascribed to it in 20 U.S.C. § 7801(25).}~~

5. "Opt-in child" means a child for whom an education savings account has been established pursuant to NRS 353B.850, who is not enrolled full-time in a public or private school and who receives all or a portion of his or her instruction from a participating entity, as defined in NRS 353B.750.

6. "Public schools" means all kindergartens and elementary schools, junior high schools and middle schools, high schools, charter schools and any other schools, classes and educational programs which receive their support through public taxation and, except for charter schools, whose textbooks and courses of study are under the control of the State Board.

7. "State Board" means the State Board of Education.

8. "University school for profoundly gifted pupils" has the meaning ascribed to it in NRS 388C.040.

Sec. 2. ~~[Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~—1. The State Board shall adopt regulations requiring each school district and charter school to separately report, in the time and manner prescribed by the State Board, the number of pupils enrolled in each school district and charter school who are identified as English learners and the number of pupils who are at risk for purposes of calculating the basic support guarantee for those pupils pursuant to subsection 4 of NRS 387.122. The regulations must require the school districts and charter schools to report the number of pupils in each such category using the prior school year's enrollment based upon:~~

~~—(a) The results of the assessment of proficiency in the English language prescribed by the State Board pursuant to NRS 390.810 and administered by the school districts and charter schools, for purposes of reporting pupils who are English learners;~~

~~—(b) Except as otherwise provided in paragraph (c), the number of pupils who are eligible for free or reduced price lunches pursuant to 42 U.S.C. §§ 1751 et seq., for purposes of reporting pupils who are at risk;~~

~~—(c) If data relating to eligibility for free or reduced price lunches for a school district or charter school is not available, the number of pupils who are identified as at risk pursuant to an alternative measure prescribed by the State Board;~~

~~—2. The Department shall prescribe annual measurable objectives and performance targets to track the performance of the school districts and charter schools in providing education and services to pupils who are English learners and to pupils who are at risk, including, without limitation, whether the money provided pursuant to the multiplier prescribed in subsection 4 of NRS 387.122 improves the academic performance and proficiency of those pupils;~~

~~—3. On or before July 1 of each year, each school district and charter school shall submit a report to the Department, in the form prescribed by the Department, which includes the results with respect to the annual measurable objectives and performance targets prescribed by the Department pursuant to subsection 2 for the preceding school year and a plan to meet the annual measurable objectives and performance targets prescribed for the ensuing school year. The Department shall review each report to determine whether:~~

~~—(a) The school district or charter school is meeting the annual measurable objectives and performance targets prescribed by the Department; and~~

~~—(b) The plan of the school district or charter school is designed to meet the annual measurable objectives and performance targets prescribed for the ensuing school year.] (Deleted by amendment.)~~

Sec. 3. ~~[NRS 387.1211 is hereby amended to read as follows:  
387.1211 As used in NRS 387.121 to 387.1245, inclusive [:] , and  
section 2 of this act:~~

~~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.] (Deleted by amendment.)~~

Sec. 4. ~~[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 is established by law for each school year. The formula for calculating the basic support guarantee [may] must 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 387.163.~~

~~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 of 2.0 for pupils with disabilities. Except as otherwise provided in this subsection, the funding provided to each school district and charter school through the multiplier of 2.0 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. Except as otherwise provided in this subsection, for each pupil who is identified as an English learner or at risk, as reported pursuant to subsection 1 of section 2 of this act, the basic support guarantee per pupil established by law for each school district must be multiplied by:~~

- ~~(a) For the 2017-2018 school year, at least 1.05.~~
- ~~(b) For the 2018-2019 school year, at least 1.15.~~
- ~~(c) For the 2019-2020 school year, at least 1.3.~~
- ~~(d) For the 2020-2021 school year and each school year thereafter, at least 1.5.~~

~~If a pupil is reported by a school district or charter school as both an English learner and at risk, only one multiplier may be applied for the pupil pursuant to this subsection.~~

~~5. 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.] 6. The Department shall make available updated information regarding the equity allocation model on the Internet website maintained by the Department.] (Deleted by amendment.)~~

~~Sec. 5. [1. On or before September 1, 2017, each school district and charter school shall submit to the Department of Education a plan for the 2018-2019 school year for the school district or charter school, as applicable, to improve the academic performance and proficiency of pupils who are English learners and pupils who are at risk.~~

~~2. On or before January 1, 2018, the Department of Education shall submit to the Director of the Legislative Counsel Bureau for transmittal to the Legislature the annual measurable objectives and performance targets prescribed by the Department pursuant to subsection 2 of section 2 of this act.] (Deleted by amendment.)~~

Sec. 6. Chapter 387 of NRS is hereby amended by adding thereto the provisions set forth as sections 7 to 11, inclusive, of this act.

Sec. 7. 1. The Account for the New Nevada Education Funding Plan 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 subsection 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.

2. The money in the Account may only be used for public schools and public education pursuant to sections 7 to 11, inclusive, of this act.

3. The board of trustees of each school district and the sponsor of each charter school shall establish a special revenue fund and direct that the money the board of trustees or sponsor receives pursuant to section 8 of this act be deposited in the special revenue fund. Money in the special revenue fund must not be commingled with money from other sources. The board of trustees or the sponsor, as applicable, shall disburse money in the special revenue fund to public schools in the school district or sponsored by the sponsor, as applicable, in accordance with section 8 of this act. The money in the special revenue fund:

(a) Must be used only as provided in section 9 of this act;

(b) Must not be used to settle or arbitrate disputes between a recognized organization representing employees of the school district or the governing body of the charter school and the school district or governing body, as applicable, to settle any negotiation or to adjust the schedules of salaries and benefits of the employees of a school district or charter school, as applicable; and

(c) Which remains in the special revenue fund at the end of a fiscal year reverts to the Account for the New Nevada Education Funding Plan.

Sec. 8. 1. On or before July 1 of each year, the Department shall, using the final count of pupils from the previous school year, determine the number of pupils in each public school who:

(a) Are English learners or are eligible for a free or reduced-price lunch pursuant to 42 U.S.C. §§ 1751 et seq.;

(b) Scored at or below the 25th percentile on an assessment of proficiency described in paragraphs (a) to (e), inclusive, of subsection 1 of section 10 of this act or, for a grade level for which such an assessment does not exist or does not provide sufficient information to identify all such pupils, are projected to be at or below the 25th percentile for proficiency by the Department pursuant to subsection 2 of section 10 of this act;

(c) Are not enrolled at a Zoom school or Victory school; and

(d) Do not have an individualized education program.

2. On or before July 1 of each year, the Department shall determine, beginning with the category of all public schools that received the lowest rating possible indicating underperformance of a public school, as determined by the Department pursuant to the statewide system of

accountability for public schools, and proceeding through each category of all public schools that received the immediately higher rating until not all public schools within a category could be funded, each category of public schools for which the Department could provide a per pupil allocation of \$1,200 from the Account for the New Nevada Education Funding Plan created by section 7 of this act for the upcoming school year for each pupil identified in subsection 1 who is enrolled at each public school in the category.

3. If the Department determines that one or more categories of public schools could not be fully funded pursuant to subsection 2, the Department shall rank each public school within the lowest category of public schools that could not be fully funded pursuant to subsection 2 by the highest number of pupils identified in subsection 1 who are enrolled at each such public school.

4. On or before July 15 of each year, the Department shall transfer money from the Account for the New Nevada Education Funding Plan to the board of trustees of each school district and each sponsor of a charter school on a per pupil basis as follows:

(a) First, for each public school within a category identified in subsection 2 as capable of being fully funded which is located in the school district or sponsored by the sponsor, as applicable, an amount of \$1,200 per pupil identified in subsection 1 who is enrolled at the public school; and

(b) Second, beginning with the highest ranked public school pursuant to subsection 3 and until the money in the Account for the New Nevada Education Funding Plan is exhausted, an amount of \$1,200 per pupil identified in subsection 1 who is enrolled at the public school.

↳ The board of trustees of a school district or the sponsor of a charter school that receives money pursuant to this subsection shall distribute the money to each identified public school on a per pupil basis for each pupil identified in subsection 1 who is enrolled at the public school.

Sec. 9. 1. A public school that receives money pursuant to section 8 of this act shall use the money only for the purposes identified in this section.

2. Before using any money received pursuant to section 8 of this act, a public school must:

(a) Consult with:

(1) The appropriate staff of the school district in which the public school is located to coordinate the use of the money by the public school with the use of money received pursuant to section 8 of this act by other public schools located in the school district in a manner that maximizes the efficient use of such money; and

(2) The parents or legal guardians of pupils enrolled at the public school and, if an organizational team exists for the school, the organizational team, to determine the needs of pupils and the preference of the parents and legal guardians and the organizational team, if any, for services provided pursuant to subsections 4 and 5; and

(b) In consultation with the parents or legal guardians of pupils enrolled at the public school and the organizational team, if any, develop a plan for the use of such money and the goals to be achieved as a result of the use of such money.

3. A public school that receives money pursuant to section 8 of this act must use the money only on programs or services which are evidence-based, as defined in 20 U.S.C. § 7801(21).

4. A public school that receives money pursuant to section 8 of this act shall use 90 percent or more of the money to provide one or more of the following:

(a) Extended learning opportunities, including, without limitation:

(1) A summer academy;

(2) An intersession academy;

(3) A program which provides learning opportunities for children before or after school;

(4) An extended school day; or

(5) A learning opportunity delivered at another time when school is not in session.

(b) Academic interventions, including, without limitation:

(1) A reading or literacy center;

(2) The administration of a common, valid and reliable formative and summative assessment which is aligned to statewide standards and allows for comparisons between schools;

(3) The implementation of relevant curriculum or software which is supported by evidence described in 20 U.S.C. § 7801(21)(A)(i) and which may include, without limitation, a course of instruction in college and career readiness; or

(4) The hiring of personnel to implement an academic intervention which is supported by evidence described in 20 U.S.C. § 7801(21)(A)(i).

(c) Early childhood education, including, without limitation, a prekindergarten program that meets the standards for quality established by the Department.

(d) Any other strategy designed by the public school and approved by the Department.

(e) In addition to one or more of the services described in paragraphs (a) to (d), inclusive, and to the extent determined by the public school to be necessary to adequately support such services, strategies to respond to the needs of the school and its pupils and their families identified by the public school, including, without limitation:

(1) Programs and services designed to engage parents and families;

(2) Programs to improve school climate and culture; or

(3) The provision of social, psychological or health care services to pupils and their families, which may include, without limitation, counseling or wrap-around services.

5. A public school that receives money pursuant to section 8 of this act may not use more than 10 percent of the money to provide support for teachers and other licensed educational personnel, which may include, without limitation:

(a) Professional development which is supported by evidence described in 20 U.S.C. § 7801(21)(A)(i);

(b) Reimbursement for the coursework required to obtain an endorsement relating to English language acquisition and development for teachers or other licensed educational personnel who serve pupils who are English learners; or

(c) Retention incentives for teachers or other licensed educational personnel who serve pupils who are English learners and have obtained an endorsement described in paragraph (b).

6. A public school that receives money pursuant to section 8 of this act:

(a) Shall use the money to provide the services described in subsections 4 and 5 to pupils identified in subsection 1 of section 8 of this act who are enrolled at the public school; and

(b) May, to the extent that the use of money pursuant to paragraph (a) creates the capacity to serve additional pupils, provide the services described in subsections 4 and 5 to pupils enrolled at the public school who scored at or below the 25th percentile on an assessment of pupil proficiency described in paragraphs (a) to (e), inclusive, of subsection 1 of section 10 of this act.

7. A public school shall ensure that any money received pursuant to section 8 of this act which is used to provide services to pupils who are English learners complies with any plan adopted by the board of trustees of the school district in which the public school is located for services provided to pupils who are English learners.

8. As used in this section:

(a) "Organizational team" has the meaning ascribed to it in section 9 of Assembly Bill No. 469 of this Legislative Session.

(b) "Wrap-around services" means supplemental services provided to a pupil with special needs or the family of such a pupil that are not otherwise covered by any federal or state program of assistance.

Sec. 10. 1. To determine the proficiency of a pupil pursuant to paragraph (b) of subsection 1 of section 8 of this act, the Department shall use, for a pupil who is:

(a) An English learner in any grade, the assessment of proficiency in the English language prescribed by the State Board pursuant to NRS 390.810.

(b) In kindergarten or grade 1 or 2, the "Measures of Academic Progress" published by the Northwest Evaluation Association, if implemented by the Department.

(c) In grade 3, 4, 5, 6, 7 or 8, the examinations administered pursuant to NRS 390.105.

(d) In grade 9 or 10, the end-of-course examination required pursuant to NRS 390.600 for mathematics.

(e) In grade 11 or 12, the college and career readiness assessment administered pursuant to NRS 390.610.

2. The Department shall, by regulation, establish a method for projecting the number of pupils who are at or below the 25th percentile for proficiency in any grade level for which an assessment identified in subsection 1 does not exist or does not provide sufficient information to identify all such pupils. Such a method may allow for the number of pupils to be projected by examining:

(a) The proficiency of pupils in nearby grade levels if an assessment for a grade level has not been fully implemented; or

(b) Information on credit deficiency for any grade in high school for which insufficient information exists to identify all such pupils.

Sec. 11. 1. The Department shall prescribe annual measurable objectives and performance targets which must be used by a public school that receives money pursuant to section 8 of this act to evaluate and track the performance of pupils who receive services pursuant to section 9 of this act. The annual measurable objectives and performance targets prescribed by the Department must be aligned to the statewide system of accountability for public schools.

2. Each public school that receives money pursuant to section 8 of this act shall submit, on or before a date prescribed by the board of trustees of the school district in which the public school is located or the sponsor of the charter school, as applicable, a report to the school district or sponsor which uses the measurable objectives and performance targets prescribed by the Department to measure the effectiveness of the public school in providing services pursuant to section 9 of this act.

3. On or before November 30 of each year, the board of trustees of a school district and the sponsor of a charter school shall gather the reports submitted by each public school located in the school district or sponsored by the sponsor, as applicable, which contains information for the preceding school year and submit a report to the Department which contains such information for all public schools located in the school district or sponsored by the sponsor.

4. The Department shall contract with an independent evaluator to evaluate the effectiveness of services provided pursuant to section 9 of this act. The evaluation must include, without limitation, a determination of whether each public school is making an effective use of the money received by the public school pursuant to section 8 of this act and an identification of services which have been identified to offer the greatest and the least improvement to pupil performance. The evaluation must be provided on or before February 1 of:

(a) Each even-numbered year to the Legislative Committee on Education.

(b) Each odd-numbered year to the Director of the Legislative Counsel Bureau for transmission to the next regular session of the Legislature.

Sec. 12. There is hereby appropriated from the State General Fund to the Account for a New Nevada Education Funding Plan created by section 7 of this act the following sums:

- 1. For the Fiscal Year 2017-2018..... \$36,000,000
- 2. For the Fiscal Year 2018-2019..... \$36,000,000

Sec. 13. 1. There is hereby appropriated from the State General Fund to the Department of Education the sum of \$250,000 for the costs associated with contracting with an independent consultant to perform the work described in section 14 of this act.

2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2019.

Sec. 14. 1. The Department of Education shall develop a request for proposals for an independent consultant who is qualified and knowledgeable on issues relating to the funding of public education to:

(a) Conduct a review of the report entitled "Study of a New Method of Funding for Public Schools in Nevada," published by the American Institutes for Research on September 22, 2012, and LCB Bulletin No. 15-5, "Interim Study Report of the Task Force on K-12 Public Education Funding";

(b) Update the report and bulletin identified in paragraph (a) with more current information, focusing on the determination and implementation of the appropriate funding adjustments for the additional costs associated with serving low-income pupils and English learners, as defined in 20 U.S.C. § 7801(20);

(c) Review the meaning of the term "pupils who are at-risk," as defined in NRS 387.121, to establish an appropriate definition of the term and recommend appropriate funding adjustments for the additional costs associated with serving such pupils;

(d) Review the multiplier to the basic support guarantee per pupil for pupils with disabilities pursuant to NRS 387.122;

(e) Review the meaning of the term "gifted and talented pupils," as defined in NRS 388.5231, to establish an appropriate definition for the term and recommend a consistent statewide standard to identify such pupils; and

(f) Make recommendations for the implementation of the findings of the independent consultant pursuant to paragraphs (a) to (e), inclusive.

2. The Department of Education shall, on or before September 15, 2017, enter into a contract with an independent consultant to perform the work identified in subsection 1.

3. The independent consultant selected by the Department of Education shall complete the work identified in subsection 1 and, on or before August 1, 2018, submit a preliminary report containing the information described in subsection 1 to the Department of Education. Upon receipt of the preliminary report, the Department of Education shall immediately forward the preliminary report to the Legislative Committee on Education.

4. Upon receipt of the preliminary report, the Legislative Committee on Education shall review the preliminary report and provide recommendations to the independent consultant. After receiving such recommendations from the Legislative Committee on Education and any recommendations which may be provided by the State Board of Education and Department of Education, the independent consultant shall prepare a final report which includes such recommendations and, on or before October 15, 2018, submit the final report to the Governor and the Director of the Legislative Counsel Bureau for transmission to the next regular session of the Legislature.

~~{Sec. 6.}~~ *Sec. 15.* The Legislative Counsel shall, in preparing the Nevada Revised Statutes and the supplements to the Nevada Administrative Code, substitute appropriately the term "limited English proficient" for the term "English learner."

*Sec. 16.* The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

~~{Sec. 7.}~~ *Sec. 17.* This act becomes effective:

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

2. On July 1, 2017, for all other purposes.

Senator Denis moved the adoption of the amendment.

Remarks by Senator Denis.

Amendment No. 847 to Senate Bill No. 178 strikes sections 2 through 5 of the bill; creates a special account in the State General Fund and appropriates \$36 million to the account in each year of the new biennium; outlines a procedure for identifying the struggling students to be served with the weighted funding and prescribes a per-pupil funding amount of \$1,200; allows 90 percent or more of the funding to be used for a menu of authorized services and up to 10 percent of funding to be used for personnel incentives and professional development; requires schools to serve the funded students and to provide only authorized services; requires the Department of Education to prescribe performance metrics, to receive periodic reports from school districts and to engage an independent evaluator to analyze the results and report to the Legislature; requires the Department to contract with a consultant to update the 2012 school funding report, study a variety of topics and issue a preliminary report to the Legislative Committee on Education, and after receiving feedback, to issue a final report; and proposes other related provisions.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.



## GENERAL FILE AND THIRD READING

Senate Bill No. 439.

Bill read third time.

The following amendment was proposed by Senator Goicoechea:

Amendment No. 973.

SUMMARY—Authorizes certain local governments to increase diesel taxes under certain circumstances. (BDR 32-1002)

AN ACT relating to taxation; authorizing boards of county commissioners in certain smaller counties to impose an additional tax on diesel fuel ~~if~~ if the registered voters of the county approve the imposition of the tax; authorizing persons who use diesel fuel in motor vehicles operated or intended to operate interstate to request and obtain reimbursement for the tax paid on diesel fuel consumed outside this State under certain circumstances; enacting provisions governing the distribution of the portion of the proceeds of the tax on diesel fuel reserved by the Department of Motor Vehicles to pay reimbursement for the tax; revising provisions governing the projects for which certain smaller counties may use the proceeds of an additional tax on diesel fuel; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes counties to impose certain taxes on motor vehicle fuels and special fuels used in motor vehicles. (Chapter 373 of NRS) Under existing law, a board of county commissioners of a county whose population is 100,000 or more (currently Clark and Washoe Counties) is authorized, under certain circumstances, to impose county taxes on motor vehicle fuel and various special fuels used in motor vehicles. (NRS 373.030, 373.066, 373.0663) However, a board of county commissioners of a county whose population is less than 100,000 (currently all counties other than Clark and Washoe Counties) is authorized to impose county fuel taxes only on motor vehicle fuel. (NRS 373.030, 373.065) Section 1.7 of this bill authorizes the board of county commissioners of a county whose population is less than 100,000 to impose a tax on special fuel that consists of diesel fuel sold in the county in an amount not to exceed 5 cents per gallon. Under section 1.7, an ordinance imposing or increasing such a tax must be adopted by a two-thirds majority of the board ~~if~~ and be approved by the voters at a general or special election. A tax imposed pursuant to section 1.7 would be administered, allocated, disbursed and used in the same manner as certain existing fuel taxes. (Chapter 373 of NRS) Section 1.5 of this bill includes highway truck parking, as defined in section 1 of this bill, as a project for which a county whose population is less than 100,000 is authorized to use the proceeds of the tax on diesel fuel authorized by section 1 and issue revenue bonds secured by those proceeds. (NRS 373.028, 373.131)

The Department of Motor Vehicles is a party to the International Fuel Tax Agreement, a multistate agreement which facilitates the calculation and collection of certain fuel taxes from interstate trucking companies and others who use special fuel (primarily diesel fuel) in vehicles operated or intended

to operate interstate. (NRS 366.175) Existing law: (1) authorizes certain special fuel users to file with the Department a request for reimbursement of amounts owed to the special fuel user as a result of the Department's entering into the International Fuel Tax Agreement and the imposition of a tax on special fuels consumed outside this State; and (2) requires the Department to adopt regulations establishing a system to provide for the reimbursement of a person who files such a request. (NRS 373.083) Section 3 of this bill authorizes a person who pays a tax imposed pursuant to section 1.7 in a county in which the total number of gallons of diesel fuel sold in the county in the immediately preceding fiscal year is 10,000,000 gallons or more to file such a request and obtain from the Department a reimbursement of the tax on diesel fuel which is consumed outside this State.

Under existing regulations, for the purpose of paying reimbursements to special fuel users who file requests for reimbursement with the Department, the Department establishes a trust account for a county for which reimbursements are paid and deposits 20 percent of the amount of taxes collected for the county in that trust account. Money in the trust account of a county must be used to pay requests for reimbursement of the tax imposed in the county which are approved by the Department, and any money remaining in the trust account after the payment of such reimbursements, including all accrued interest, must be distributed to the county for which the trust account was created. (NAC 373.160) Section 3 requires the Department to establish a trust account for a county which imposes the tax on diesel fuel authorized by section 1.7 and in which the total number of gallons of diesel fuel sold in the county in the immediately preceding fiscal year is 10,000,000 gallons or more. Section 3 also provides that under certain circumstances, a portion of the money in the trust account for such a county may be distributed to the Department of Transportation for use to construct, maintain or repair, or any combination thereof, highway truck parking in the county.

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

Section 1. Chapter 373 of NRS is hereby amended by adding thereto a new section to read as follows:

*"Highway truck parking" means a parking area with easy access to or from a highway which is designated for a truck having a gross weight of more than 10,000 pounds, in the course of the operation of the truck or during periods of mandated rest for the operator of the truck.*

Sec. 1.3. NRS 373.020 is hereby amended to read as follows:

373.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 373.0205 to 373.029, inclusive, and section 1 of this act have the meanings ascribed to them in those sections.

Sec. 1.5. NRS 373.028 is hereby amended to read as follows:

373.028 "Project" means:

1. In a county whose population is 100,000 or more, street and highway construction, including, without limitation, the acquisition and improvement

of any street, avenue, boulevard, alley, highway or other public right-of-way used for any vehicular traffic, and including a sidewalk designed primarily for use by pedestrians, and also, including, without limitation, grades, regrades, gravel, oiling, surfacing, macadamizing, paving, crosswalks, sidewalks, pedestrian rights-of-way, driveway approaches, curb cuts, curbs, gutters, culverts, catch basins, drains, sewers, manholes, inlets, outlets, retaining walls, bridges, overpasses, tunnels, underpasses, approaches, sprinkling facilities, artificial lights and lighting equipment, parkways, grade separators, traffic separators, and traffic control equipment, and all appurtenances and incidentals, or any combination thereof, including, without limitation, the acquisition and improvement of all types of property therefor.

2. In a county whose population is less than 100,000, street and highway construction, maintenance or repair, or any combination thereof, including, without limitation, the acquisition, maintenance, repair and improvement of *highway truck parking* or any street, avenue, boulevard, alley, highway or other public right-of-way used for any vehicular traffic, and including a sidewalk designed primarily for use by pedestrians, and also, including, without limitation, grades, regrades, gravel, oiling, surfacing, macadamizing, paving, crosswalks, sidewalks, pedestrian rights-of-way, driveway approaches, curb cuts, curbs, gutters, culverts, catch basins, drains, sewers, manholes, inlets, outlets, retaining walls, bridges, overpasses, tunnels, underpasses, approaches, sprinkling facilities, artificial lights and lighting equipment, parkways, grade separators, traffic separators, and traffic control equipment, and all appurtenances and incidentals, or any combination thereof, including, without limitation, the acquisition, maintenance, repair and improvement of all types of property therefor.

Sec. 1.7. NRS 373.030 is hereby amended to read as follows:

373.030 1. In any county for all or part of which a streets and highways plan has been adopted as a part of the master plan by the county or regional planning commission pursuant to NRS 278.150, the board may by ordinance impose a tax on motor vehicle fuel, except aviation fuel and leaded racing fuel, sold in the county in an amount not to exceed 9 cents per gallon.

2. *In a county whose population is less than 100,000 and for all or part of which a streets and highways plan has been adopted as a part of the master plan by the county or regional planning commission pursuant to NRS 278.150, the board may by ordinance impose a tax on special fuel that consists of diesel fuel sold in the county in an amount not to exceed 5 cents per gallon. An ordinance authorized by this subsection must be approved by a two-thirds majority of the members of the board. Any proposal to increase the rate of the tax must be approved by a two-thirds majority of the board but such an increase must not cause the amount of the tax to exceed 5 cents per gallon. The board shall not:*

*(a) Adopt any ordinance authorized by this section unless the board first submits to the voters of the county at a general or special election the*

question of whether to impose a tax pursuant to this subsection and such a question concerning the imposition of the tax pursuant to this subsection is approved by a majority of the registered voters of the county voting upon the question; or

(b) Increase the rate of any tax imposed pursuant to this subsection unless the board first submits to the voters of the county at a general or special election the question of whether to increase the rate of the tax and such a question concerning the increase of the rate of the tax is approved by a majority of the registered voters of the county voting upon the question.

3. A tax imposed pursuant to ~~[this section]~~ subsection 1 is in addition to other motor vehicle fuel taxes imposed pursuant to the provisions of chapter ~~[3.]~~ A tax imposed pursuant to subsection 2 is in addition to other special fuel taxes imposed pursuant to the provisions of chapter 366 of NRS.

4. As used in this section:

(a) "Aviation fuel" has the meaning ascribed to it in NRS 365.015.

(b) "Leaded racing fuel" means motor vehicle fuel that contains lead and is produced for motor vehicles that are designed and built for racing and not for operation on a public highway.

Sec. 2. NRS 373.060 is hereby amended to read as follows:

373.060 Any ordinance enacted pursuant to NRS 373.030 must provide that the county ~~[motor vehicle]~~ fuel tax will be imposed on the first day of the second calendar month following the enactment of the ordinance.

Sec. 3. NRS 373.083 is hereby amended to read as follows:

373.083 1. A person who uses special fuel in a motor vehicle operated or intended to operate interstate and who pays any tax imposed on ~~[special]~~ :

(a) Special fuels pursuant to NRS 373.066, 373.0663 or 373.066733 ~~[may]~~ ; or

(b) Special fuel that consists of diesel fuel pursuant to subsection 2 of NRS 373.030 in a county in which the total number of gallons of diesel fuel sold in the county during the immediately preceding fiscal year, as determined by the Department, is 10,000,000 gallons or more,

→ may file with the Department a request for reimbursement of any amounts owed to the person as a result of the Department entering into an agreement pursuant to NRS 366.175 and the imposition, pursuant to subsection 2 of NRS 373.030 or NRS 373.066, 373.0663 or 373.0667, of any tax on special fuels which are consumed outside this State.

2. The Department shall adopt regulations establishing a system to provide for the reimbursement and the auditing of the records of a person who files a request for reimbursement pursuant to subsection 1. The system established by the Department:

(a) Must authorize a person who uses special fuel in motor vehicles operated or intended to operate interstate to file a request for reimbursement as provided in subsection 1;

(b) Must provide that the Department will determine the eligibility for reimbursement of a person who files a request for reimbursement pursuant to subsection 1 before the Department will authorize the reimbursement;

(c) Must provide that any reimbursement authorized by the Department be paid from only money received by a county pursuant to any tax imposed on special fuels pursuant to *subsection 2 of NRS 373.030 or NRS 373.066, 373.0663 or 373.0667*;

(d) Must provide that the total amount of money which must be paid by any county in any fiscal year to reimburse any amounts owed to persons who use special fuel in motor vehicles operated or intended to operate interstate must not exceed 20 percent of the total amount of money collected ~~by~~ for that county from any tax imposed on special fuels pursuant to *subsection 2 of NRS 373.030 or NRS 373.066, 373.0663 or 373.0667*; and

(e) Must not apply to any tax imposed pursuant to NRS 373.066 during the term of any bonds outstanding on June 12, 2013, secured by those taxes or of any bonds that refund such bonds provided that the term of the refunding bonds is not longer than the term of the refunded bonds.

3. The Department shall charge and collect a fee in an amount not to exceed \$100 for each request for reimbursement filed by a person pursuant to subsection 1. All money from the fees collected by the Department pursuant to this subsection must be deposited in the Local Fuel Tax ~~(Indexing)~~ Fund created by NRS 373.087.

4. The Department and a commission which has been created in a county whose population is 700,000 or more and in which a tax is imposed pursuant to NRS 373.0663 or 373.0667 may enter into an intergovernmental agreement or contract pursuant to which:

(a) The commission agrees to pay for the costs incurred by the Department to establish the system pursuant to subsection 2 and administer the system until the amount of money received by the Department from the fees collected by the Department pursuant to subsection 3 is sufficient to pay the costs incurred by the Department to administer the system; and

(b) The Department agrees to reimburse the commission for any money paid by the commission pursuant to paragraph (a) from a portion of the money received by the Department from the fees collected by the Department pursuant to subsection 3.

5. *For each county in which a tax is imposed pursuant to subsection 2 of NRS 373.030 and in which the total number of gallons of diesel fuel sold in the county during the immediately preceding fiscal year, as determined by the Department, is 10,000,000 gallons or more, the Department shall establish and administer an interest-bearing trust account and deposit into the trust account 20 percent of the total amount of taxes collected for the county pursuant to subsection 2 of NRS 373.030 each month. Except as otherwise provided in this subsection, the Department shall use money deposited by the Department into such a trust account for a county, excluding the amount of any accrued interest, only to pay requests for*

*reimbursement of the tax imposed in the county pursuant to subsection 2 of NRS 373.030 which are submitted to the Department pursuant to subsection 1. If the Department approves requests for reimbursement of the tax imposed in a county pursuant to subsection 2 of NRS 373.030:*

*(a) In an amount which is not more than 50 percent of the amount deposited by the Department in the trust account during the fiscal year, excluding the amount of any accrued interest, the Department must, at the end of the fiscal year and after the payment of all requests for reimbursement approved by the Department, distribute the balance remaining in the account, including the amount of any accrued interest, as follows:*

*(1) An amount equal to the difference between 50 percent of the balance remaining in the trust account before the payment of all requests for reimbursement, excluding the amount of any accrued interest, and the amount of all requests for reimbursement paid by the Department must be distributed to the Department of Transportation and used by the Department of Transportation only to construct, maintain or repair, or any combination thereof, highway truck parking in the county.*

*(2) Any balance remaining in the trust account after the payment of all requests for reimbursement approved by the Department and the distributions required by subparagraph (1), including any accrued interest, must be transmitted to the county in accordance with NRS 373.080.*

*(b) In an amount which exceeds 50 percent, but does not exceed 100 percent, of the amount deposited in the trust account during the fiscal year, excluding any accrued interest, the balance remaining in the trust account after the payment of all requests for reimbursement approved by the Department, including the amount of any accrued interest, must be transmitted to the county in accordance with NRS 373.080.*

*(c) In an amount which exceeds the amount of money deposited into the trust account of the county during the fiscal year, excluding any accrued interest, the Department must pay the approved requests for reimbursement on a pro rata basis and distribute any accrued interest to the county in accordance with NRS 373.080. For the purposes of this paragraph, "pro rata basis" means that the amount of each request for reimbursement approved by the Department will be proportionally reduced by multiplying the amount of reimbursement approved by the ratio of the total amount of money deposited into the trust account during the fiscal year, exclusive of interest, divided by the total amount of requests for reimbursement approved by the Department.*

6. As used in this section, "special fuel" has the meaning ascribed to it in NRS 366.060.

Sec. 3.5. NRS 373.087 is hereby amended to read as follows:

373.087 1. The Local Fuel Tax ~~Indexing~~ Fund is hereby created as an enterprise fund. The Department shall deposit in the Fund all fees collected by the Department pursuant to subsection 3 of NRS 373.083. The Director of the Department shall administer the Fund.

2. Money in the Fund must be invested as the money in other state funds is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund. Claims against the Fund must be paid as other claims against the State are paid.

3. Money deposited in the Fund must only be expended:

(a) To administer the system established by the Department pursuant to NRS 373.083; and

(b) To reimburse a commission for any amounts paid by the commission pursuant to an intergovernmental agreement or contract entered into pursuant to subsection 4 of NRS 373.083.

4. The Director may maintain a reserve of not more than \$500,000 in the Fund. The reserve must be accounted for separately in the Fund and must only be expended to administer the system established by the Department pursuant to NRS 373.083.

5. Any balance remaining in the Fund at the end of any fiscal year:

(a) Does not revert to the State General Fund; and

(b) Must be carried forward to the next fiscal year.

Sec. 4. This act becomes effective on July 1, 2017.

Senator Goicoechea moved the adoption of the amendment.

Remarks by Senator Goicoechea.

The amendment requires that before the Board of County Commissioners can impose a \$.05 diesel tax, imposition of the tax must approved by the registered voters of that county.

Amendment adopted.

Bill read third time.

Remarks by Senator Goicoechea.

Senate Bill No. 439 allows for a board of county commissioners to impose a tax of up to 5 cents per gallon on diesel fuel. This must be approved by the voters, and the tax can be set at any amount up to the 5 cents per gallon. If it is initially set lower than 5 cents, it cannot be raised without going back to the voters. There are many protections built into this bill now. It requires a 2/3 vote of the board of county commissioners after the ballot question to impose the tax. It will help some of the rural counties with their flood damage if they can get it approved by their voters.

Roll call on Senate Bill No. 439:

YEAS—20.

NAYS—None.

EXCUSED—Gansert.

Senate Bill No. 439 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

#### REPORTS OF COMMITTEES

*Mr. President:*

Your Committee on Legislative Operations and Elections, to which was referred Senate Joint Resolution No. 16, has had the same under consideration, and begs leave to report the same back with the recommendation: Without recommendation.

NICOLE J. CANNIZZARO, *Chair*

## INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 551—AN ACT relating to programs for public personnel; establishing for the 2017-2019 biennium the subsidies to be paid to the Public Employees' Benefits Program for insurance for certain active and retired public officers and employees; and providing other matters properly relating thereto.

Senator Woodhouse moved that the bill be referred to the Committee on Finance.

Motion carried.

By the Committee on Finance:

Senate Bill No. 552—AN ACT relating to public employees; revising the method of determining the amount that certain local governmental agencies are required to pay as a subsidy for the cost of coverage for retired persons of the agencies who are participants in the Public Employees' Benefits Program; expressing the intent of the Legislature regarding the transitional responsibility for any increased costs to such local governmental agencies relating to the subsidy; and providing other matters properly relating thereto.

Senator Woodhouse moved that the bill be referred to the Committee on Finance.

Motion carried.

## SECOND READING AND AMENDMENT

Senate Joint Resolution No. 16.

Resolution read second time and ordered to third reading.

Senator Ford moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 5:09 p.m.

## SENATE IN SESSION

At 8:11 p.m.

President Hutchison presiding.

Quorum present.

## REPORTS OF COMMITTEES

*Mr. President:*

Your Committee on Health and Human Services, to which was referred Assembly Bill No. 474, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

PAT SPEARMAN, *Chair*

## MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, June 1, 2017

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bill No. 518.



Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 94, 371, 397, 399, 502.

CAROL AIELLO-SALA  
*Assistant Chief Clerk of the Assembly*

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 553—AN ACT relating to projects of capital improvement; authorizing and providing funding for the advance planning of the College of Engineering, Academic and Research Building at the University of Nevada, Las Vegas; and providing other matters properly relating thereto.

Senator Woodhouse moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 94.

Senator Atkinson moved that the bill be referred to the Committee on Revenue and Economic Development.

Motion carried.

Assembly Bill No. 371.

Senator Atkinson moved that the bill be referred to the Committee on Natural Resources.

Motion carried.

Assembly Bill No. 397.

Senator Atkinson moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 399.

Senator Atkinson moved that the bill be referred to the Committee on Transportation.

Motion carried.

Assembly Bill No. 502.

Senator Atkinson moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 518.

Senator Atkinson moved that the bill be referred to the Committee on Finance.

Motion carried.

SECOND READING AND AMENDMENT

Assembly Bill No. 474.

Bill read second time and ordered to third reading.

UNFINISHED BUSINESS  
SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Senate Bill No. 232; Senate Concurrent Resolution No. 1; Assembly Bills Nos. 83, 492.

Senator Ford moved that the Senate adjourn until Friday, June 2, 2017, at 11:00 a.m.

Motion carried.

Senate adjourned at 8:15 p.m.

Approved:

MARK A. HUTCHISON  
*President of the Senate*

Attest: CLAIRE J. CLIFT  
*Secretary of the Senate*