

ASSEMBLY BILL NO. 344—ASSEMBLYWOMAN TAYLOR

MARCH 20, 2023

Referred to Committee on Ways and Means

SUMMARY—Revises provisions governing the cost adjustment factor in the Pupil-Centered Funding Plan. (BDR 34-993)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to education; repealing the cost adjustment factor by which the statewide base per pupil funding amount is adjusted in the Pupil-Centered Funding Plan; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law establishes, as part of the Pupil-Centered Funding Plan, a cost
2 adjustment factor by which the statewide base per pupil funding amount is adjusted
3 for each school district and certain charter schools and university schools for
4 profoundly gifted pupils to account for variation between the counties of this State
5 in the cost of living and the cost of labor. (NRS 387.1215) Section 3 of this bill
6 repeals that provision. Sections 1 and 2 of this bill make conforming changes to
7 address the repeal of the cost adjustment factor.

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

1 Section 1. NRS 387.1214 is hereby amended to read as
2 follows:

3 387.1214 1. After a direct legislative appropriation is made to
4 the State Education Fund from the State General Fund pursuant to
5 NRS 387.1212, the Legislature shall determine the statewide base
6 per pupil funding amount for each fiscal year of the biennium,
7 which is the amount of money expressed on a per pupil basis for the
8 projected enrollment of the public schools in this State, determined
9 to be sufficient by the Legislature to fund the costs of all public



1 schools in this State to operate and provide general education to all  
2 pupils for any purpose for which specific funding is not  
3 appropriated pursuant to paragraph (a), (b) or (e) of subsection 2 or  
4 NRS 387.122. It is the intent of the Legislature that the statewide  
5 base per pupil funding amount for any fiscal year, to the extent  
6 practicable, be not less than the statewide base per pupil funding  
7 amount for the immediately preceding fiscal year, adjusted by  
8 inflation, unless the amount of money contained in the State  
9 Education Fund, excluding the Education Stabilization Account,  
10 decreases from the preceding fiscal year. If the amount of money  
11 contained in the State Education Fund, excluding the Education  
12 Stabilization Account, decreases from the preceding fiscal year, it is  
13 the intent of the Legislature that a proportional reduction be made in  
14 both the statewide base per pupil funding amount and the weighted  
15 funding appropriated pursuant to paragraph (e) of subsection 2.

16 2. After a direct legislative appropriation is made to the State  
17 Education Fund from the State General Fund pursuant to NRS  
18 387.1212, the money in the State Education Fund, excluding any  
19 amount of money in the Education Stabilization Account, must be  
20 appropriated as established by law for each fiscal year of the  
21 biennium for the following purposes:

22 (a) To each school district, an amount of money determined to  
23 be sufficient by the Legislature, when combined with any other  
24 resources available for this purpose, to provide food services and  
25 transportation for pupils and any other similar service that the  
26 Legislature deems appropriate.

27 (b) To each school district, charter school or university school  
28 for profoundly gifted pupils, an amount of money determined to be  
29 sufficient by the Legislature, when combined with any other  
30 resources available for this purpose, to provide local funding to  
31 support pupils with disabilities.

32 (c) To each school district, an amount of money determined to  
33 be sufficient by the Legislature, when combined with any other  
34 resources available for this purpose, to provide adjusted base per  
35 pupil funding for each pupil estimated to be enrolled in the school  
36 district.

37 (d) To each charter school or university school for profoundly  
38 gifted pupils, an amount of money determined to be sufficient by the  
39 Legislature, when combined with any other resources available for  
40 this purpose, to provide:

41 (1) The statewide base per pupil funding amount for each  
42 pupil estimated to be enrolled full-time in a program of distance  
43 education provided by the charter school or university school for  
44 profoundly gifted pupils; and



1 (2) Adjusted base per pupil funding for each pupil estimated  
2 to be enrolled in the charter school or university school for  
3 profoundly gifted pupils other than a pupil identified in  
4 subparagraph (1).

5 (e) To each school district, charter school or university school  
6 for profoundly gifted pupils, an amount of money determined to be  
7 sufficient by the Legislature, when combined with any other  
8 resources available for this purpose, to provide additional weighted  
9 funding for each pupil estimated to be enrolled in the school district,  
10 charter school or university school for profoundly gifted pupils who  
11 is:

- 12 (1) An English learner;
- 13 (2) An at-risk pupil; or
- 14 (3) A gifted and talented pupil.

15 3. The adjusted base per pupil funding appropriated pursuant to  
16 paragraph (c) of subsection 2 for each school district must be  
17 determined by applying the ~~cost adjustment factor established~~  
18 ~~pursuant to NRS 387.1215 which applies to the school district and~~  
19 ~~the~~ attendance area adjustment established pursuant to NRS  
20 387.1218 which applies to each applicable area of the school district  
21 to the statewide base per pupil funding amount.

22 4. The adjusted base per pupil funding appropriated pursuant to  
23 subparagraph (2) of paragraph (d) of subsection 2 for each charter  
24 school or university school for profoundly gifted pupils must be  
25 determined by applying, ~~the cost adjustment factor established~~  
26 ~~pursuant to NRS 387.1215 which applies to the charter school or~~  
27 ~~university school and,~~ if applicable, the attendance area adjustment  
28 established pursuant to NRS 387.1218 to the statewide base per  
29 pupil funding amount.

30 5. The weighted funding appropriated pursuant to paragraph (e)  
31 of subsection 2 must be established separately for each category of  
32 pupils identified in that paragraph and expressed as a multiplier to  
33 be applied to the statewide base per pupil funding amount  
34 determined pursuant to subsection 1. A pupil who belongs to more  
35 than one category of pupils or for whom a school district, charter  
36 school or university school for profoundly gifted pupils is eligible to  
37 receive the statewide multiplier pursuant to NRS 387.122 must  
38 receive only the weighted funding for the single category to which  
39 the pupil belongs which has the largest multiplier or the statewide  
40 multiplier, whichever is larger. It is the intent of the Legislature that,  
41 to the extent practicable:

42 (a) The multiplier for each category of pupils for any fiscal year  
43 be not less than the multiplier for the immediately preceding fiscal  
44 year unless:



1 (1) The amount of money contained in the State Education  
2 Fund, excluding the Education Stabilization Account, decreases  
3 from the preceding fiscal year, in which event it is the intent of the  
4 Legislature that a proportional reduction be made in both the  
5 statewide base per pupil funding amount and the weighted funding  
6 appropriated pursuant to paragraph (e) of subsection 2; or

7 (2) The amount of money contained in the State Education  
8 Fund, excluding the Education Stabilization Account, increases  
9 from the preceding fiscal year but in an amount which, after funding  
10 the appropriations required by paragraphs (a) to (d), inclusive, of  
11 subsection 2, is insufficient to fund the multiplier for each category  
12 of pupils, in which event it is the intent of the Legislature that the  
13 remaining money in the State Education Fund be used to provide a  
14 multiplier for each category of pupils which is as close as  
15 practicable to the multiplier for the preceding fiscal year;

16 (b) The recommendations of the Commission for the multiplier  
17 for each category of pupils be considered and the multiplier for one  
18 category of pupils may be changed by an amount that is not  
19 proportional to the change in the multiplier for one or more other  
20 categories of pupils if the Legislature determines that a  
21 disproportionate need to serve the pupils in the affected category  
22 exists; and

23 (c) If the multipliers for all categories of pupils in a fiscal year  
24 are increased from the multipliers in the immediately preceding  
25 fiscal year, a proportional increase is considered for the statewide  
26 base per pupil funding amount.

27 6. For any money identified in subsection 4 of NRS 362.170  
28 which is deposited to the credit of the State Education Fund:

29 (a) The amount of such money for the county from which the  
30 money was collected that does not exceed the total amount of  
31 money appropriated pursuant to subsection 2 to the county school  
32 district is deemed to be the first money appropriated pursuant to  
33 subsection 2 for that county school district.

34 (b) The amount of such money for the county from which the  
35 money was collected which exceeds the total amount of money  
36 appropriated pursuant to subsection 2 to the county school district  
37 must be transferred to the county school district and is hereby  
38 authorized for expenditure as a continuing appropriation for the  
39 purpose of mitigating the adverse effects of the cyclical nature of  
40 the industry of extracting and processing minerals on the ability of  
41 the county school district to offer its pupils a reasonably equal  
42 educational opportunity.

43 7. The weighted funding appropriated pursuant to paragraph (e)  
44 of subsection 2:



1 (a) May not be used to settle or arbitrate disputes between a  
2 recognized organization representing employees of a school district  
3 or the governing body of a charter school and the school district or  
4 governing body or to settle any negotiations; and

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

7 **Sec. 2.** NRS 387.12463 is hereby amended to read as follows:

8 387.12463 1. The Commission shall:

9 (a) Provide guidance to school districts and the Department on  
10 the implementation of the Pupil-Centered Funding Plan.

11 (b) Monitor the implementation of the Pupil-Centered Funding  
12 Plan and make any recommendations to the Joint Interim Standing  
13 Committee on Education that the Commission determines would,  
14 within the limits of appropriated funding, improve the  
15 implementation of the Pupil-Centered Funding Plan or correct any  
16 deficiencies of the Department or any school district or public  
17 school in carrying out the Pupil-Centered Funding Plan.

18 (c) Review the statewide base per pupil funding amount, the  
19 adjusted base per pupil funding for each school district and the  
20 multiplier for weighted funding for each category of pupils  
21 appropriated by law pursuant to NRS 387.1214 for each biennium  
22 and recommend any revisions the Commission determines to be  
23 appropriate to create an optimal level of funding for the public  
24 schools in this State, including, without limitation, by  
25 recommending the creation or elimination of one or more categories  
26 of pupils to receive additional weighted funding. If the Commission  
27 makes a recommendation pursuant to this paragraph which would  
28 require more money to implement than was appropriated from  
29 the State Education Fund in the immediately preceding biennium,  
30 the Commission shall also identify a method to fully fund the  
31 recommendation within 10 years after the date of the  
32 recommendation.

33 (d) Review the laws and regulations of this State relating to  
34 education, make recommendations to the Joint Interim Standing  
35 Committee on Education for any revision of such laws and  
36 regulations that the Commission determines would improve the  
37 efficiency or effectiveness of public education in this State and  
38 notify each school district of each such recommendation.

39 (e) Review and recommend to the Department revisions of the  
40 ~~cost adjustment factors for each county established pursuant to~~  
41 ~~NRS 387.1215 and the~~ method for calculating the attendance area  
42 adjustment established pursuant to NRS 387.1218.

43 2. The Commission shall present any recommendations  
44 pursuant to paragraphs (a) to (d), inclusive, of subsection 1 at a  
45 meeting of the Joint Interim Standing Committee on Education for



1 consideration and revision by the Committee. The Joint Interim  
2 Standing Committee on Education shall review each  
3 recommendation of the Commission and determine whether to  
4 transmit the recommendation or a revised version of the  
5 recommendation to the Governor or the Legislature.

6 **Sec. 3.** NRS 387.1215 is hereby repealed.

7 **Sec. 4.** This act becomes effective on July 1, 2023.

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**TEXT OF REPEALED SECTION**

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**387.1215 Establishment of cost adjustment factor for certain public schools in each county.**

1. To account for variation between the counties of this State in the cost of living and the cost of labor, the Department shall establish by regulation cost adjustment factors for the school district located in, and each charter school that provides classroom-based instruction in, each county of this State.

2. Not later than May 1 of each even-numbered year, the Department shall review and determine whether revisions are necessary to the cost adjustment factors for the school district located in each county of this State. The Department shall present the review and any revisions at a meeting of the Joint Interim Standing Committee on Education for consideration and recommendations by the Committee. After the meeting, the Department shall consider any recommendations of the Joint Interim Standing Committee on Education, determine whether to include those recommendations and adopt by regulation any revision to the cost adjustment factors. The Department shall submit any revision to the cost adjustment factors to each school district, the Governor and the Director of the Legislative Counsel Bureau.





