
ASSEMBLY BILL NO. 458—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE OFFICE OF FINANCE
IN THE OFFICE OF THE GOVERNOR)

MARCH 27, 2023

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to the financial support of public schools. (BDR 34-1080)

FISCAL NOTE: Effect on Local Government: No.
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; authorizing a temporary advance from the Education Stabilization Account to the State Education Fund under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law creates the State Education Fund as a special revenue fund for the
2 purpose of supporting the operation of the public schools in this State. (NRS
3 387.1212) Existing law requires the Superintendent of Public Instruction, on or
4 before the first day of every month, to apportion the State Education Fund among
5 the several county school districts, charter schools and university schools for
6 profoundly gifted pupils in amounts approximating one-twelfth of their respective
7 yearly apportionments. (NRS 387.124) Existing law requires the State Treasurer, on
8 or before the first day of every month, to pay all school money due each school
9 district, charter school and university school for profoundly gifted pupils according
10 to the monthly apportionment made by the Superintendent. (NRS 387.185) Existing
11 law also: (1) establishes the Education Stabilization Account as a reserve account
12 within the State Education Fund; and (2) authorizes the transfer of money between
13 the Account and the Fund for certain purposes. (NRS 387.1213) This bill authorizes
14 the Superintendent to request, and the Director of the Office of Finance to approve,
15 a temporary advance from the Education Stabilization Account to the State
16 Education Fund for the payment of all or part of the money due each month to each
17 school district, charter school and university school for profoundly gifted pupils if
18 the Superintendent determines the amount due exceeds the amount of money which
19 is available in the State Education Fund because of a delay in expected receipts.
20 This bill requires any such money which is temporarily advanced to be paid back



21 by August 31 following the end of the fiscal year in which the temporary advance is
22 made.

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

1 **Section 1.** NRS 387.1213 is hereby amended to read as
2 follows:

3 387.1213 1. The Education Stabilization Account is hereby
4 created in the State Education Fund. Except as otherwise provided
5 in subsections 3 and 4, each year after the close of the previous
6 fiscal year and before the issuance of the State Controller's annual
7 report, each county school district shall transfer from the county
8 school district fund to the Education Stabilization Account any
9 amount by which the budgeted ending fund balance of the county
10 school district fund exceeds 16.6 percent of the total budgeted
11 expenditures for the fund. The interest and income earned on the
12 money in the Account, after deducting any applicable charges, must
13 be credited to the Account.

14 2. Money transferred pursuant to subsection 1 to the Education
15 Stabilization Account is a continuing appropriation solely for the
16 purpose of authorizing the expenditure of the transferred money for
17 the purposes set forth in this section.

18 3. The balance in the Education Stabilization Account must not
19 exceed 15 percent of the total of all appropriations and
20 authorizations from the State Education Fund, excluding the
21 Education Stabilization Account, for the immediately preceding
22 fiscal year. Any money transferred to the Education Stabilization
23 Account which exceeds this amount must instead be transferred to
24 the State Education Fund.

25 4. If the Interim Finance Committee finds that:

26 (a) Upon submission of a request from the Department, the
27 actual enrollment growth for a fiscal year exceeds the projected
28 enrollment growth by an amount that the Interim Finance
29 Committee determines would make a transfer of money to the State
30 Education Fund necessary to fund the excess enrollment; or

31 (b) The collection of revenue in any fiscal year will result in the
32 State Education Fund receiving 97 percent or less of the money
33 authorized for expenditure from the State Education Fund,

34 ↳ the Committee shall by resolution establish an amount of money
35 to transfer from the Education Stabilization Account to the State
36 Education Fund and direct the State Controller to transfer that
37 amount to the State Education Fund. The State Controller shall
38 thereupon make the transfer.



1 5. *If the Superintendent of Public Instruction determines that*
2 *the money due from the State Education Fund to a county school*
3 *district pursuant to NRS 387.185 exceeds the amount of money*
4 *available in the State Education Fund because of a delay in*
5 *expected receipts, he or she may request from the Director of the*
6 *Office of Finance a temporary advance from the Education*
7 *Stabilization Account for the payment of such money due. The*
8 *Director of the Office of Finance shall notify the State Controller*
9 *and the Fiscal Analysis Division of the Legislative Counsel*
10 *Bureau of his or her approval of such a request, and the State*
11 *Controller shall draw his or her warrant upon receipt of such*
12 *approval. Any money which is temporarily advanced from the*
13 *Education Stabilization Account pursuant to this subsection must*
14 *be repaid by August 31 following the end of the fiscal year in*
15 *which the temporary advance is made.*

16 6. The balance remaining in the State Education Fund,
17 excluding the balance remaining in the Education Stabilization
18 Account, that has not been committed for expenditure on or before
19 June 30 of an odd-numbered fiscal year must be transferred to the
20 Education Stabilization Account to the extent that such a transfer
21 would not cause the balance in the Education Stabilization Account
22 to exceed the limit established in subsection 3.

23 **Sec. 2.** This act becomes effective on July 1, 2023.



