## CHAPTER.....

AN ACT relating to education; requiring the board of trustees of each school district annually to reserve money for the payment of an increase in salaries to certain teachers and administrators employed by the school district; revising provisions relating to the program of performance pay and enhanced compensation to be established for each school district; and providing other matters properly relating thereto.

## Legislative Counsel's Digest:

Existing law requires the board of trustees of each school district to establish a program of performance pay and enhanced compensation for the recruitment and retention of teachers and administrators employed by the school district, and to implement the program beginning with the 2015-2016 school year. Under existing law, the program must be negotiated by the board of trustees in accordance with the provisions governing collective bargaining. (NRS 391.168)

For the purposes of that program, **section 1** of this bill requires the board of trustees of each school district annually to reserve for each fiscal year a sum of money sufficient to pay an increase in base salaries, not to exceed 10 percent, for not less than 5 percent of the teachers and administrators employed by the school district. **Section 3** of this bill requires that the initial reservation of money be made for Fiscal Year 2016-2017 and that the initial increase in salaries be effective for the 2016-2017 school year.

Section 2 of this bill: (1) eliminates the requirement that the program of performance pay and enhanced compensation be the subject of collective bargaining; and (2) requires that consideration be given to implementation of the program in the lowest-rated schools rated as underperforming pursuant to the statewide system of accountability for public schools.

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

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

**Section 1.** Chapter 391 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The board of trustees of each school district shall reserve for each fiscal year, for the purposes of the program of performance pay and enhanced compensation established by the board of trustees pursuant to NRS 391.168, an amount of money sufficient to provide an increase in base salaries, not including monetary benefits, for not less than 5 percent of the teachers and administrators employed by the school district. The amount of the increase must not exceed 10 percent of the annual base salary of each teacher and administrator to whom the increase is paid.



2. After making the reservation required by subsection 1, the board of trustees shall provide written notice of its action to the Department and the State Board, with information about the amount of money reserved and the increase in salaries to be paid. The State Board shall review that information at a meeting of the State Board.

3. Except as otherwise provided in subsection 4, the money reserved by the board of trustees pursuant to subsection 1:

(a) Must be accounted for separately by the school district.

(b) Is not subject to negotiations with an employee organization for the purposes of chapter 288 of NRS.

(c) Must be used only to pay an increase in salaries in accordance with this section and NRS 391.168 and not to increase the salaries or monetary benefits of other employees of the school district.

4. Any money reserved pursuant to subsection 1 for a fiscal year that remains in the account established pursuant to subsection 3:

(a) At the end of that fiscal year does not revert to the general fund of the school district, but must be carried forward to the next fiscal year.

(b) At the end of the next fiscal year reverts to the general fund of the school district and may be expended by the board of trustees of the school district pursuant to the provisions of chapter 288 of NRS.

Sec. 2. NRS 391.168 is hereby amended to read as follows:

391.168 1. The board of trustees of each school district shall:

(a) Establish a program of performance pay and enhanced compensation for the recruitment and retention of licensed teachers and administrators ; [which must be negotiated pursuant to chapter 288 of NRS;] and

(b) Commencing with the 2015-2016 school year, implement the program established pursuant to paragraph (a).

2. The program of performance pay and enhanced compensation established by a school district pursuant to subsection 1 must have as its primary focus the improvement in the academic achievement of pupils and must give appropriate consideration to implementation in at-risk schools [] and schools receiving 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. In addition, the program may include, without limitation, the following components:



(a) Career leadership advancement options to maximize the retention of teachers in the classroom and the retention of administrators;

(b) Professional development;

(c) Group incentives; and

(d) Multiple assessments of individual teachers and administrators, with primary emphasis on individual pupil improvement and growth in academic achievement, including, without limitation, portfolios of instruction, leadership and professional growth, and other appropriate measures of teacher and administrator performance which must be considered.

**Sec. 3.** The board of trustees of each school district shall:

1. Make the initial reservation of money required by section 1 of this act for Fiscal Year 2016-2017; and

2. Effectuate the initial increase in salaries required by that section for the 2016-2017 school year.

**Sec. 4.** Insofar as they conflict with the provisions of such an agreement, the amendatory provisions of this act do not apply during the current term of any collective bargaining agreement entered into before January 1, 2016, and in effect on that date, but do apply to any extension or renewal of such an agreement and to any such agreement entered into on or after January 1, 2016. For the purposes of this section, the term of a collective bargaining agreement, notwithstanding any provision of the agreement that it remains in effect, in whole or in part, after that date until a successor agreement becomes effective.

**Sec. 5.** 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. 6.** This act becomes effective on January 1, 2016.

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