

SENATE BILL NO. 375—SENATOR PICKARD

MARCH 26, 2021

Referred to Committee on Finance

SUMMARY—Appropriates additional money for teacher salaries and class size reduction. (BDR 34-951)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included in Executive Budget.

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

AN ACT relating to education; creating the Enhanced Classroom Funding Account; authorizing certain uses of money in the Account; making an appropriation to the Account; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law declares that “the proper objective of state financial aid to public
2 education is to ensure each Nevada child a reasonably equal educational
3 opportunity” and establishes the Nevada Plan as a formula for distribution of state
4 financial aid to the public schools in this State to accomplish that objective. (NRS
5 387.121) As part of the Nevada Plan, the Legislature establishes, during each
6 legislative session and for each school year of the biennium, an estimated statewide
7 average basic support guarantee per pupil. (NRS 387.122) This is the per pupil
8 amount that is “guaranteed” on a statewide basis through a combination of state
9 money and certain local revenues, supplemented by other local revenues which are
10 not “guaranteed” by the State. The basic support guarantee for each school district
11 is computed by multiplying the basic support guarantee per pupil that is established
12 by law for the school district for each school year by pupil enrollment. (NRS
13 387.121-387.1223) In addition to the basic support guarantee per pupil, state
14 financial aid to public education is provided through various programs, commonly
15 known as “categorical funding,” that target specific purposes or populations of
16 pupils for additional support. Such programs include, without limitation, the
17 Account for the New Nevada Education Funding Plan, Zoom schools and Victory
18 schools. (NRS 387.129-387.139; sections 1 and 2 of chapter 554, Statutes of
19 Nevada 2019, at page 3460)

20 Beginning with the 2021-2023 biennium, existing law replaces the Nevada Plan
21 with the Pupil-Centered Funding Plan, which combines money raised pursuant to
22 state law at the local level with state money to provide a certain basic level of
23 support to each pupil in this State which is adjusted: (1) to account for variation in
24 the local costs to provide a reasonably equal educational opportunity to pupils; and



(2) for the costs of providing a reasonably equal educational opportunity to pupils with certain additional educational needs. (NRS 387.1212-387.1216, 387.12455-387.12468; chapter 624, Statutes of Nevada 2019, at page 4193)

Section 1 of this bill creates the Enhanced Classroom Funding Account in the State General Fund and requires the Superintendent of Public Instruction to administer the account. **Section 1** requires money in the account to be distributed proportionally to school districts and charter schools and used only for the purposes of: (1) increasing the compensation for teachers employed in public schools; and (2) acquiring, renovating or otherwise providing additional classroom space for the purpose of reducing class sizes. **Section 1** further prohibits money from the Account from being used to supplant existing funding for such purposes.

Section 2 of this bill makes an appropriation of \$1,000,000,000 from the State General Fund to the Account.

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

Section 1. Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Enhanced Classroom Funding Account 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 subsections 2 and 3. 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 Department shall distribute the money that is appropriated to the Account proportionally to the boards of trustees of school districts and sponsors of charter schools in this State, on the basis of the number of pupils enrolled in each school district and charter school, through a noncompetitive grants program.

3. The board of trustees of each school district and the sponsor of each charter school shall establish a special revenue fund and direct the money the board of trustees or sponsor receives pursuant to subsection 2 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



1 *revenue fund to public schools in the school district or sponsored*
2 *by the sponsor, as applicable, only for the purposes of:*

3 (a) *Increasing the compensation of teachers employed in a*
4 *public school; and*

5 (b) *Acquiring, renovating or otherwise providing additional*
6 *classroom space for the purpose of reducing class sizes.*

7 4. *Any money in a special revenue fund established pursuant*
8 *to subsection 3:*

9 (a) *Must be used only for the purposes specified in paragraphs*
10 *(a) and (b) of subsection 3; and*

11 (b) *Must not be used to supplant any money that a school*
12 *district or a charter school, or the board of trustees of a school*
13 *district or the sponsor or governing body of a charter school,*
14 *would otherwise spend for the purposes specified in paragraphs*
15 *(a) and (b) of subsection 3.*

16 **Sec. 2.** There is hereby appropriated from the State General
17 Fund to the Enhanced Classroom Funding Account created by
18 section 1 of this act the sum of \$1,000,000,000.

19 **Sec. 3.** This act becomes effective on July 1, 2021.



