## SENATE BILL NO. 459-COMMITTEE ON FINANCE

## (ON BEHALF OF THE LEGISLATIVE COMMITTEE ON EDUCATION)

MARCH 27, 2017

## Referred to Committee on Education

SUMMARY—Revises provisions relating to the class-size reduction program. (BDR 34-330)

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

FISCAL NOTE: Effect on Local Government: No. Effect on the State: Yes.

~

AN ACT relating to the class-size reduction program; requiring the governing body of a charter school that is not sponsored by a school district and that is an elementary school to submit to the Department of Education quarterly reports concerning pupil-teacher ratios; requiring the ratio of pupils per teacher in certain grades in such a charter school not to exceed prescribed ratios; requiring such a charter school to develop a plan to reduce the pupil-teacher ratio in certain grades; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:** 

Existing law establishes the maximum ratio of pupils per licensed teacher in kindergarten and grades 1, 2 and 3, and requires a school district with a school that exceeds this ratio to request a variance from the State Board of Education. Existing law also requires each school district to: (1) develop a plan to reduce the district's pupil-teacher ratio per class in those grades; and (2) submit to the Department of Education quarterly reports with certain information relating to the district's pupil-teacher ratios. Under existing law, charter schools are exempt from the provisions relating to the ratio of pupils per teacher. (NRS 388.700, 388.720, 388.725) **Section 4** of this bill removes the exemption from the requirements relating to the ratio of pupils per teacher for charter schools that are not sponsored by a school district and requires such a charter school that exceeds the prescribed ratio to request a variance from the State Public Charter School Authority. **Sections 1, 2, 7 and 8** of this bill make changes that conform to the removal of the exemption from the requirements relating to the pupil-teacher ratio for such charter schools.





**Section 6** of this bill requires a charter school that is not sponsored by a school district and that is an elementary school to develop a plan to reduce the school's pupil-teacher ratio per class in kindergarten and grades 1, 2 and 3. **Section 5** of this bill makes conforming changes. **Section 3** of this bill requires the governing body of such a charter school to submit quarterly reports with certain information relating to the school's pupil-teacher ratios to the Department.

**Section 10** of this bill provides that this bill becomes effective on July 1, 2017, only if the amount of money appropriated by the Legislature for the class-size reduction program for the 2017-2019 biennium includes an appropriation to carry out the amendatory provisions of this bill and such appropriation for class-size reduction in charter schools does not reduce the amount of money appropriated to school districts for the class-size reduction program below the amount that was appropriated for that purpose for the 2015-2017 biennium.

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

**Section 1.** NRS 387.1234 is hereby amended to read as follows:

387.1234 1. Except as otherwise provided in subsection 3 and NRS 388.700, the State Board shall establish by regulation the maximum pupil-teacher ratio in each grade, and for each subject matter wherever different subjects are taught in separate classes, for each school district of this State which is consistent with:

- (a) The maintenance of an acceptable standard of instruction;
- (b) The conditions prevailing in the school district with respect to the number and distribution of pupils in each grade; and
- (c) Methods of instruction used, which may include educational television, team teaching or new teaching systems or techniques.
- 2. If the Superintendent of Public Instruction finds that any school district or charter school that is not sponsored by the school district is maintaining one or more classes whose pupil-teacher ratio exceeds the applicable maximum, and unless the Superintendent finds that the board of trustees of the school district or the governing body of the charter school has made every reasonable effort in good faith to comply with the applicable standard, the Superintendent shall, with the approval of the State Board, reduce the count of pupils for apportionment purposes by the percentage which the number of pupils attending those classes is of the total number of pupils in the district, and the State Board may direct the Superintendent to withhold the quarterly apportionment entirely.
- 3. The provisions of this section do not apply to [a charter school,] a university school for profoundly gifted pupils or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive.
  - **Sec. 2.** NRS 387.304 is hereby amended to read as follows: 387.304 The Department shall:





1. Conduct an annual audit of the count of pupils for apportionment purposes reported each quarter by each school district pursuant to NRS 387.123 and the data reported by each school district and each charter school that is not sponsored by a school district pursuant to NRS 388.710 that is used to measure the effectiveness of the implementation of a plan developed by [each] the school district or charter school, as applicable, to reduce the pupil-teacher ratio as required by NRS 388.720.

2. Review each school district's report of the annual audit conducted by a public accountant as required by NRS 354.624, and the annual report prepared by each district as required by NRS 387.303, and report the findings of the review to the State Board and the Legislative Committee on Education, with any recommendations for legislation, revisions to regulations or training needed by school district employees. The report by the Department must identify school districts which failed to comply with any statutes or administrative regulations of this State or which had any:

- (a) Long-term obligations in excess of the general obligation debt limit;
  - (b) Deficit fund balances or retained earnings in any fund;
  - (c) Deficit cash balances in any fund;
- (d) Variances of more than 10 percent between total general fund revenues and budgeted general fund revenues; or
- (e) Variances of more than 10 percent between total actual general fund expenditures and budgeted total general fund expenditures.
- 3. In preparing its biennial budgetary request for the State Distributive School Account, consult with the superintendent of schools of each school district or a person designated by the superintendent.
- 4. Provide, in consultation with the Budget Division of the Office of Finance and the Fiscal Analysis Division of the Legislative Counsel Bureau, training to the financial officers of school districts in matters relating to financial accountability.
  - **Sec. 3.** Chapter 388 of NRS is hereby amended by adding thereto a new section to read as follows:
  - 1. On or before August 1, November 1, February 1 and May 1 of each year, the governing body of each charter school that is not sponsored by the school district and that is an elementary school shall report to the Department for the preceding quarter:
  - (a) Except as otherwise provided in paragraph (b), the average daily attendance of pupils and the ratio of pupils per teacher for grades 1, 2 and 3.





- (b) If the State Board has approved an alternative class-size reduction plan for the charter school pursuant to NRS 388.720, the average daily attendance of pupils and the ratio of pupils per teacher for those grades which are required to comply with the alternative class-size reduction plan for the charter school.
- 2. The governing body of each charter school that is an elementary school shall post on the Internet website maintained by the charter school:
- (a) The information concerning average daily attendance and class size, as reported to the Department pursuant to subsection 1; and
- (b) A statement that a variance from the prescribed pupilteacher ratios was granted by the State Public Charter School Authority pursuant to subsection 4 of NRS 388.700.
  - **Sec. 4.** NRS 388.700 is hereby amended to read as follows:
- 388.700 1. Except as otherwise provided in this section, for each school quarter of a school year, the ratio in each school district and each charter school that is not sponsored by a school district of pupils per licensed teacher designated to teach, on a full-time basis, in classes where core curriculum is taught:
- (a) In kindergarten and grades 1 and 2, must not exceed 16 to 1, and in grade 3, must not exceed 18 to 1; or
- (b) If a plan is approved pursuant to subsection 3 of NRS 388.720, must not exceed the ratio set forth in that plan for the grade levels specified in the plan.
- In determining this ratio, all licensed educational personnel employed by a school district and all educational personnel employed by a charter school who teach a grade level specified in paragraph (a) or a grade level specified in a plan that is approved pursuant to subsection 3 of NRS 388.720, as applicable for the school district [,] or charter school, must be counted except teachers of art, music, physical education or special education, teachers who teach one or two specific subject areas to more than one classroom of pupils, and counselors, librarians, administrators, deans and specialists.
- 2. A school district or charter school that is not sponsored by a school district may, within the limits of any plan adopted pursuant to NRS 388.720, assign a pupil whose enrollment in a grade occurs after the end of a quarter during the school year to any existing class regardless of the number of pupils in the class if the school district or charter school requests and is approved for a variance from the State Board or State Public Charter School Authority, as applicable, pursuant to subsection [4.] 5.
- 3. Each school district that includes one or more elementary schools which exceed the ratio of pupils per class during any quarter





of a school year, as reported to the Department pursuant to NRS 388.725:

(a) Set forth in subsection 1;

- (b) Prescribed in conjunction with a legislative appropriation for the support of the class-size reduction program; or
- (c) Defined by a legislatively approved alternative class-size reduction plan, if applicable to that school district.
- must request a variance for each such school for the next quarter of the current school year if a quarter remains in that school year or for the next quarter of the succeeding school year, as applicable, from the State Board by providing a written statement that includes the reasons for the request and the justification for exceeding the applicable prescribed ratio of pupils per class.
- 4. Each charter school that is not sponsored by a school district and that is an elementary school which exceeds the ratio of pupils per class during any quarter of a school year, as reported to the Department pursuant to section 3 of this act:
  - (a) Set forth in subsection 1;
- (b) Prescribed in conjunction with a legislative appropriation to a charter school for the support of the class-size reduction program; or
- (c) Defined by a legislatively approved alternative class-size reduction plan, if applicable to the charter school,
- must request a variance for the charter school for the next quarter of the current school year if a quarter remains in that school year or for the next quarter of the succeeding school year, as applicable, from the State Public Charter School Authority by providing a written statement that includes the reasons for the request and the justification for exceeding the applicable prescribed ratio of pupils per class.
- 5. The State Board or the State Public Charter School Authority, as applicable, may grant to a school district or a charter school that is not sponsored by a school district a variance from the limitation on the number of pupils per class set forth in paragraph (a), (b) or (c) of subsection 3 or paragraph (a), (b) or (c) of subsection 4, as applicable, for good cause, including the lack of available financial support specifically set aside for the reduction of pupil-teacher ratios.
- [5.] 6. The State Board and the State Public Charter School Authority shall, on a quarterly basis, submit a report to the Interim Finance Committee on each variance requested by a school district or charter school pursuant to subsection [4] 5 during the preceding quarter and, if a variance was granted, an identification of each elementary school for which a variance was granted and the specific justification for the variance.





- [6.] 7. The State Board *and the State Public Charter School Authority* shall, on or before February 1 of each odd-numbered year, submit a report to the Legislature on:
- (a) Each variance requested by a school district *or charter school* pursuant to subsection [4] 5 during the preceding biennium and, if a variance was granted, an identification of each elementary school for which variance was granted and the specific justification for the variance.
- **8.** The Department shall, on or before November 15 of each year, report to the Chief of the Budget Division of the Office of Finance and the Fiscal Analysis Division of the Legislative Counsel Bureau:
  - (a) The number of teachers employed;
- (b) The number of teachers employed in order to attain the ratio required by subsection 1;
  - (c) The number of pupils enrolled; and
- (d) The number of teachers assigned to teach in the same classroom with another teacher or in any other arrangement other than one teacher assigned to one classroom of pupils,
- during the current school year in the grade levels specified in paragraph (a) of subsection 1 or the grade levels specified in a plan that is approved pursuant to subsection 3 of NRS 388.720, as applicable, for each school district.
- [8.] 9. The provisions of this section do not apply to [a charter school or to] a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive.
  - **Sec. 5.** NRS 388.710 is hereby amended to read as follows:
  - 388.710 1. The State Board, in consultation with the trustees of the school districts, [and] the recognized associations representing licensed educational personnel, a representative of the Charter School Association of Nevada and a representative of the State Public Charter School Authority, after receiving comments from the general public, shall determine the data that must be monitored by each school district or charter school that is not sponsored by a school district and used to measure the effectiveness of the implementation of a plan developed by [each] the school district or charter school to reduce the pupil-teacher ratio pursuant to NRS 388,720.





- 2. Each school district and charter school that is not sponsored by a school district shall report the data to the State Board as required by the State Board.
  - **Sec. 6.** NRS 388.720 is hereby amended to read as follows:
- 388.720 1. Except as otherwise provided in subsection 2, each school district together with the recognized associations representing licensed educational personnel and each charter school that is not sponsored by a school district and that is an elementary school shall develop a plan to reduce the [district's] pupil-teacher ratio per class in kindergarten and grades 1, 2 and 3 for the school district or charter school, as applicable, within the limits of available financial support specifically set aside for this purpose and submit that plan to the State Board.
- 2. In lieu of complying with the pupil-teacher ratio prescribed in paragraph (a) of subsection 1 of NRS 388.700, a school district in a county whose population is less than 100,000 or a charter school that is not sponsored by a school district may, in consultation with the recognized associations representing licensed educational personnel, if applicable, develop a plan to reduce the [district's] pupil-teacher ratios per class for the school district or charter school, as applicable, for specified grade levels in elementary schools. Alternative ratios for grade 6 may only be approved for those school districts or charter schools that include grade 6 in elementary school. The alternative pupil-teacher ratios must not:
  - (a) Exceed 22 to 1 in grades 1, 2 and 3; and
- (b) Exceed 25 to 1 in grades 4 and 5 or grades 4, 5 and 6, as applicable.
  - 3. The State Board shall approve a plan submitted pursuant to subsection 2 if the plan:
  - (a) Reduces the [district's] pupil-teacher ratio for the school district or charter school, as applicable, in the elementary schools within the school district [;] or in the charter school, as applicable; and
- (b) Is fiscally neutral such that the plan will not cost more to carry out than a plan that complies with the ratios prescribed in paragraph (a) of subsection 1 of NRS 388.700.
  - **Sec. 7.** NRS 388.723 is hereby amended to read as follows: 388.723 The Department shall:
  - 1. Develop policies and procedures for:
  - (a) Monitoring the plan of each school district or charter school that is not sponsored by a school district to reduce the pupil-teacher ratio per class developed pursuant to NRS 388.720, which must include, without limitation, provisions for:
- (1) The review of each plan submitted to the State Board to ensure the adequacy of such plans; and





- (2) The review of any data submitted to the State Board pursuant to NRS 388.710.
- (b) Monitoring the quarterly reports concerning the average daily attendance of pupils and the pupil-teacher ratios [in each school district] submitted by the board of trustees of [the] each school district pursuant to NRS 388.725 and the governing body of each charter school pursuant to section 3 of this act to ensure the completeness and accuracy of such reports.
- (c) The review of any requests for a variance submitted to the State Board *or the State Public Charter School Authority* pursuant to NRS 388.700, which must include, without limitation, provisions to verify the information in such requests to ensure the accuracy of the reports on variances submitted by the State Board *or the State Public Charter School Authority* to the Legislature pursuant to that section.
- (d) The distribution of money to each school district *or charter school that is not sponsored by a school district* for the reduction of pupil-teacher ratios, which must include, without limitation, provisions for:
- (1) The retention of all documents and records related to the distribution; and
- (2) The review of the work performed to determine the distribution of such money to ensure the accuracy of supporting information and the calculations used in making such determinations.
- 2. Provide guidance to the school districts *and charter schools that are not sponsored by a school district* on:
- (a) The development of a plan to reduce the pupil-teacher ratio per class pursuant to NRS 388.720. In developing such guidance, the Department shall:
- (1) Outline the criteria that each plan must include to meet the requirements of NRS 388.720.
- (2) Provide examples of policies, plans or strategies adopted by other states to reduce class sizes.
- (b) The requirements for reporting information related to the reduction of pupil-teacher ratios.
- (c) The data that must be monitored pursuant to NRS 388.710 by each school district *and charter school* and used to measure the effectiveness of the implementation of any plan to reduce pupilteacher ratios.
- 3. Communicate with the board of trustees of each school district and the governing body of each charter school that is not sponsored by a school district regarding the expectations of the Department for the use of any money distributed to reduce pupilteacher ratios in the school district [1] or charter school, including,





without limitation, the minimum number of teachers the school district *or charter school* is expected to employ.

- **Sec. 8.** NRS 218E.625 is hereby amended to read as follows:
- 218E.625 1. The Legislative Bureau of Educational Accountability and Program Evaluation is hereby created within the Fiscal Analysis Division. The Fiscal Analysts shall appoint to the Legislative Bureau of Educational Accountability and Program Evaluation a Chief and such other personnel as the Fiscal Analysts determine are necessary for the Bureau to carry out its duties pursuant to this section.
- 2. The Bureau shall, as the Fiscal Analysts determine is necessary or at the request of the Committee:
- (a) Collect and analyze data and issue written reports concerning:
- (1) The effectiveness of the provisions of chapter 385A of NRS in improving the accountability of the schools of this State;
- (2) The statewide program to reduce the ratio of pupils per class per <del>[licensed]</del> teacher prescribed in NRS 388.700, 388.710 and 388.720;
- (3) The statewide program to educate persons with disabilities that is set forth in NRS 388.5223 to 388.5243, inclusive;
- (4) The results of the examinations of the National Assessment of Educational Progress that are administered pursuant to NRS 390.830; and
- (5) Any program or legislative measure, the purpose of which is to reform the system of education within this State.
- (b) Conduct studies and analyses to evaluate the performance and progress of the system of public education within this State. Such studies and analyses may be conducted:
  - (1) As the Fiscal Analysts determine are necessary; or
  - (2) At the request of the Legislature.
- This paragraph does not prohibit the Bureau from contracting with a person or entity to conduct studies and analyses on behalf of the Bureau.
- (c) On or before October 1 of each even-numbered year, submit a written report of its findings pursuant to paragraphs (a) and (b) to the Director for transmission to the next regular session. The Bureau shall, on or before October 1 of each odd-numbered year, submit a written report of its findings pursuant to paragraphs (a) and (b) to the Director for transmission to the Legislative Commission and to the Legislative Committee on Education.
- 3. The Bureau may, pursuant to NRS 218F.620, require a school, *including a charter school*, a school district, the Nevada System of Higher Education or the Department of Education to submit to the Bureau books, papers, records and other information





that the Chief of the Bureau determines are necessary to carry out the duties of the Bureau pursuant to this section. An entity whom the Bureau requests to produce records or other information shall provide the records or other information in any readily available format specified by the Bureau.

- 4. Except as otherwise provided in this subsection and NRS 239.0115, any information obtained by the Bureau pursuant to this section shall be deemed a work product that is confidential pursuant to NRS 218F.150. The Bureau may, at the discretion of the Chief and after submission to the Legislature or Legislative Commission, as appropriate, publish reports of its findings pursuant to paragraphs (a) and (b) of subsection 2.
- 5. This section does not prohibit the Department of Education or the State Board of Education from conducting analyses, submitting reports or otherwise reviewing educational programs in this State.
- **Sec. 9.** 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. 10.** This act becomes effective on July 1, 2017, only if the amount of money appropriated by the Legislature for the class-size reduction program for the 2017-2019 biennium includes an appropriation to carry out the amendatory provisions of sections 1 to 8, inclusive, of this act, and such appropriation does not reduce the amount of money appropriated by the Legislature for the class-size reduction program and distributed to school districts in this State below the amount of money appropriated by the Legislature and distributed to school districts for that purpose for the 2015-2017 biennium.





