
SENATE BILL NO. 252—COMMITTEE ON HUMAN
RESOURCES AND FACILITIES

MARCH 10, 2003

Referred to Committee on Finance

SUMMARY—Makes various changes concerning charter schools.
(BDR 34-140)

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

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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 charter schools; requiring a charter school to pay for an additional administration of achievement and proficiency examinations under certain circumstances; prescribing the circumstances under which a charter school shall be deemed a charter school that is dedicated to providing educational programs and opportunities for pupils who are at risk; providing for sponsorship of charter schools by the State Board of Education; revising the provisions governing the revocation of the written charter of a charter school; authorizing the governing body of a charter school to request an administrative hearing concerning the pending revocation of its written charter; revising the provisions governing apportionments from the State Distributive School Account to charter schools sponsored by the State Board of Education; and providing other matters properly relating thereto.

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

- 1 **Section 1.** NRS 385.368 is hereby amended to read as follows:
2 385.368 1. If the Department does not designate a school
3 pursuant to NRS 385.364 and, in the immediately succeeding school
4 year, less than 90 percent of the pupils enrolled in the school who
5 are required to take the examinations administered pursuant to NRS



* S B 2 5 2 *

1 389.015 take the examinations, the Department shall designate the
2 school as demonstrating need for improvement and the provisions of
3 NRS 385.373 apply.

4 2. If the Department designates a school as demonstrating need
5 for improvement pursuant to subsection 1:

6 (a) The school shall, within the same school year, administer
7 examinations to the pupils in the school who are enrolled in a grade
8 that is required to take the examinations pursuant to NRS 389.015.
9 The examinations must be the same examinations that are
10 administered to a national reference group of pupils in the same
11 grade. ~~The~~ *Except as otherwise provided in this paragraph, the*
12 *school district shall pay for all costs related to the administration of*
13 *examinations pursuant to this paragraph. If a charter school is*
14 *required to administer examinations pursuant to this subsection,*
15 *the charter school shall pay for all costs related to the*
16 *administration of the examinations to pupils enrolled in the*
17 *charter school.*

18 (b) The Department or its designee shall monitor at the school
19 the administration of the examinations that are required pursuant to
20 NRS 389.015 and ensure that all eligible pupils who are in
21 attendance on the day of the administration of the examinations are
22 given an opportunity to take the examinations until the school
23 receives a designation as demonstrating exemplary achievement,
24 high achievement or adequate achievement pursuant to
25 NRS 385.365.

26 3. A school that is designated as demonstrating need for
27 improvement pursuant to subsection 1 is not eligible to receive
28 money for remedial programs made available by legislative
29 appropriation for the purposes of NRS 385.389.

30 4. If the Department designates a school as demonstrating need
31 for improvement pursuant to subsection 1 for 2 or more consecutive
32 years, the provisions of NRS 385.375 and 385.378 apply.

33 **Sec. 2.** Chapter 386 of NRS is hereby amended by adding
34 thereto a new section to read as follows:

35 *1. Upon receiving a written request for a hearing from the*
36 *governing body of a charter school pursuant to NRS 386.535, the*
37 *State Board shall request from the American Arbitration*
38 *Association a list of seven potential arbitrators to act as hearing*
39 *officers. The State Board and the governing body shall select a*
40 *person to serve as hearing officer from the list provided by*
41 *alternately striking one name until the name of only one arbitrator*
42 *remains. The State Board shall strike the first name.*

43 *2. The hearing officer selected shall, within 30 days after his*
44 *selection, conduct a hearing concerning the pending revocation of*
45 *the written charter of the charter school. Within 15 days after the*



1 *conclusion of the hearing, the hearing officer shall prepare and*
2 *file with the State Board a report containing:*

3 (a) *A recommendation as to whether the written charter of the*
4 *charter school should be revoked; and*

5 (b) *Findings of fact and conclusions of law that support the*
6 *recommendation.*

7 3. *The State Board may accept or reject the recommendation*
8 *and shall notify the governing body of the charter school in*
9 *writing of its decision. The decision of the State Board is a final*
10 *decision in a contested case and may be appealed by the governing*
11 *body if the requirements of NRS 233B.130 are satisfied.*

12 4. *The sponsor of the charter school and the governing body*
13 *of the charter school are equally responsible for the payment of*
14 *the reasonable compensation of the hearing officer.*

15 **Sec. 3.** NRS 386.500 is hereby amended to read as follows:

16 386.500 For the purposes of NRS 386.500 to 386.610,
17 inclusive, *and section 2 of this act*, a pupil is “at risk” if he has an
18 economic or academic disadvantage such that he requires special
19 services and assistance to enable him to succeed in educational
20 programs. The term includes, without limitation, pupils who are
21 members of economically disadvantaged families, pupils with
22 limited proficiency in the English language, pupils who are at risk of
23 dropping out of high school and pupils who do not meet minimum
24 standards of academic proficiency. The term does not include a
25 pupil with a disability.

26 **Sec. 4.** NRS 386.510 is hereby amended to read as follows:

27 386.510 1. Except as otherwise provided in subsection 2:

28 (a) In a county whose population is ~~more than 400,000,~~
29 *400,000 or more*, two charter schools may be formed per every
30 75,000 pupils who are enrolled in public schools in the county
31 school district.

32 (b) In a county whose population is ~~more than~~ 100,000 *or*
33 *more* but less than 400,000, two charter schools may be formed.

34 (c) In a county whose population is less than 100,000, one
35 charter school may be formed.

36 2. The limitations set forth in subsection 1 do not apply to
37 charter schools that are dedicated to providing educational programs
38 and opportunities for pupils who are at risk.

39 3. *For the purposes of subsection 2, a charter school shall be*
40 *deemed a charter school that is dedicated to providing educational*
41 *programs and opportunities for pupils who are at risk if the*
42 *charter school offers educational programs and opportunities to*
43 *pupils who are at risk in accordance with its written charter,*
44 *regardless of the actual number or percentage of such pupils who*
45 *are enrolled in the charter school.*



1 **Sec. 5.** NRS 386.515 is hereby amended to read as follows:

2 386.515 1. ~~1. [The board of trustees of a school district may~~
3 ~~apply to the Department for authorization to sponsor charter schools~~
4 ~~within the school district. An application must be approved by the~~
5 ~~Department before the board of trustees may sponsor a charter~~
6 ~~school. Not more than 180 days after receiving approval to sponsor~~
7 ~~charter schools, the board of trustees shall provide public notice of~~
8 ~~its ability to sponsor charter schools and solicit applications for~~
9 ~~charter schools.~~

10 ~~—2.]~~ The State Board shall *serve as the sole* sponsor *of* charter
11 schools *for schools* whose applications have been approved by the
12 State Board pursuant to NRS 386.525 ~~[]~~ *on or after July 1, 2003.*

13 2. *A charter school that is sponsored by the board of trustees*
14 *of a school district on June 30, 2003, may:*

15 (a) *Elect to continue to be sponsored by the board of trustees*
16 *until the expiration or revocation of the written charter of the*
17 *charter school; or*

18 (b) *Submit to the State Board a written request to amend the*
19 *written charter to provide that the charter school will be sponsored*
20 *by the State Board until the expiration or revocation of the written*
21 *charter. The State Board shall approve the request if the charter*
22 *school complies with the provisions of NRS 386.500 to 386.610,*
23 *inclusive, and section 2 of this act.*

24 3. *If the governing body of a charter school elects to continue*
25 *to be sponsored by the board of trustees of a school district, the*
26 *governing body may, upon expiration of the written charter,*
27 *submit an application for renewal of the written charter to the*
28 *State Board pursuant to NRS 386.530.*

29 **Sec. 6.** NRS 386.520 is hereby amended to read as follows:

30 386.520 1. A committee to form a charter school must
31 consist of at least three teachers, as defined in subsection 4. In
32 addition to the teachers who serve, the committee may consist of:

33 (a) Members of the general public;

34 (b) Representatives of nonprofit organizations and businesses;
35 or

36 (c) Representatives of a college or university within the
37 University and Community College System of Nevada.

38 A majority of the persons described in paragraphs (a), (b) and (c)
39 who serve on the committee must be residents of this state at the
40 time that the application to form the charter school is submitted to
41 the Department.

42 2. Before a committee to form a charter school may submit an
43 application to ~~[the board of trustees of a school district,]~~ the
44 Subcommittee on Charter Schools ~~[for the State Board, it]~~ , *the*
45 *committee to form a charter school* must submit the application to



1 the Department. The application must include all information
2 prescribed by the Department by regulation and:

3 (a) A written description of how the charter school will carry out
4 the provisions of NRS 386.500 to 386.610, inclusive ~~§~~ , and
5 *section 2 of this act*.

6 (b) A written description of the mission and goals for the charter
7 school. A charter school must have as its stated purpose at least one
8 of the following goals:

9 (1) Improving the opportunities for pupils to learn;
10 (2) Encouraging the use of effective methods of teaching;
11 (3) Providing an accurate measurement of the educational
12 achievement of pupils;

13 (4) Establishing accountability of public schools;
14 (5) Providing a method for public schools to measure
15 achievement based upon the performance of the schools; or

16 (6) Creating new professional opportunities for teachers.

17 (c) The projected enrollment of pupils in the charter school.

18 (d) The proposed dates of enrollment for the charter school.

19 (e) The proposed system of governance for the charter school,
20 including, without limitation, the number of persons who will
21 govern, the method of selecting the persons who will govern and the
22 term of office for each person.

23 (f) The method by which disputes will be resolved between the
24 governing body of the charter school and the sponsor of the charter
25 school.

26 (g) The proposed curriculum for the charter school and, if
27 applicable to the grade level of pupils who are enrolled in the
28 charter school, the requirements for the pupils to receive a high
29 school diploma, including, without limitation, whether those pupils
30 will satisfy the requirements of the school district in which the
31 charter school is located for receipt of a high school diploma.

32 (h) The textbooks that will be used at the charter school.

33 (i) The qualifications of the persons who will provide instruction
34 at the charter school.

35 (j) Except as otherwise required by NRS 386.595, the process by
36 which the governing body of the charter school will negotiate
37 employment contracts with the employees of the charter school.

38 (k) A financial plan for the operation of the charter school. The
39 plan must include, without limitation, procedures for the audit of the
40 programs and finances of the charter school and guidelines for
41 determining the financial liability if the charter school is
42 unsuccessful.

43 (l) A statement of whether the charter school will provide for the
44 transportation of pupils to and from the charter school. If the charter
45 school will provide transportation, the application must include the



1 proposed plan for the transportation of pupils. If the charter school
2 will not provide transportation, the application must include a
3 statement that the charter school will work with the parents and
4 guardians of pupils enrolled in the charter school to develop a plan
5 for transportation to ensure that pupils have access to transportation
6 to and from the charter school.

7 (m) The procedure for the evaluation of teachers of the charter
8 school, if different from the procedure prescribed in NRS 391.3125.
9 If the procedure is different from the procedure prescribed in NRS
10 391.3125, the procedure for the evaluation of teachers of the charter
11 school must provide the same level of protection and otherwise
12 comply with the standards for evaluation set forth in NRS 391.3125.

13 (n) The time by which certain academic or educational results
14 will be achieved.

15 (o) The kind of school, as defined in subsections 1 to 4,
16 inclusive, of NRS 388.020, for which the charter school intends to
17 operate.

18 3. The Department shall review an application to form a charter
19 school to determine whether it is complete. If an application
20 proposes to convert an existing public school, home school or other
21 program of home study into a charter school, the Department shall
22 deny the application. The Department shall provide written notice to
23 the applicant of its approval or denial of the application. If the
24 Department denies an application, the Department shall include in
25 the written notice the reason for the denial and the deficiencies in
26 the application. The applicant must be granted 30 days after receipt
27 of the written notice to correct any deficiencies identified in the
28 written notice and resubmit the application.

29 4. As used in subsection 1, "teacher" means a person who:

30 (a) Holds a current license to teach issued pursuant to chapter
31 391 of NRS; and

32 (b) Has at least 2 years of experience as an employed
33 teacher.

34 The term does not include a person who is employed as a substitute
35 teacher.

36 **Sec. 7.** NRS 386.525 is hereby amended to read as follows:

37 386.525 1. Upon approval of an application by the
38 Department, a committee to form a charter school may submit the
39 application to the ~~board of trustees of the school district in which~~
40 ~~the proposed charter school will be located. If applicable, a~~
41 ~~committee may submit an application directly to the~~ Subcommittee
42 on Charter Schools ~~pursuant to subsection 4. If the board of trustees~~
43 ~~of a school district receives an application to form a charter school,~~
44 ~~it~~, *which* shall consider the application at a ~~regularly scheduled~~
45 meeting that must be held not later than 30 days after the receipt of



1 the application ~~[,]~~ and ensure that notice of the meeting has been
2 provided pursuant to chapter 241 of NRS. The ~~[board of trustees,
3 the]~~ Subcommittee on Charter Schools ~~[or the State Board, as
4 applicable,]~~ shall review ~~[an]~~ *the* application to determine whether
5 ~~[the application:] it:~~

- 6 (a) Complies with NRS 386.500 to 386.610, inclusive, *and*
7 *section 2 of this act* and the regulations applicable to charter
8 schools; and
- 9 (b) Is complete in accordance with the regulations of the
10 Department.

11 2. The Department shall assist the ~~[board of trustees of a school
12 district in the review of an]~~ *Subcommittee on Charter Schools in
13 reviewing the* application. The ~~[board of trustees may]~~
14 *Subcommittee on Charter Schools shall* approve an application if it
15 satisfies the requirements of paragraphs (a) and (b) of subsection 1.
16 The ~~[board of trustees]~~ *Subcommittee on Charter Schools* shall
17 provide written notice to the applicant of its approval or denial of
18 the application.

19 3. If the ~~[board of trustees]~~ *Subcommittee on Charter Schools*
20 denies an application, it shall include in the written notice the
21 reasons for the denial and the deficiencies in the application. The
22 applicant must be granted 30 days after receipt of the written notice
23 to correct any deficiencies identified in the written notice and
24 resubmit the application.

25 4. ~~[If the board of trustees denies an application after it has
26 been resubmitted pursuant to subsection 3, the applicant may submit
27 a written request for sponsorship by the State Board to the
28 Subcommittee on Charter Schools created pursuant to NRS 386.507
29 not more than 30 days after receipt of the written notice of denial. If
30 an applicant proposes to form a charter school exclusively for the
31 enrollment of pupils who receive special education pursuant to NRS
32 388.440 to 388.520, inclusive, the applicant may submit the written
33 request and application directly to the Subcommittee without first
34 seeking approval from the board of trustees of a school district. Any
35 request that is submitted pursuant to this subsection must be
36 accompanied by the application to form the charter school.]~~

37 ~~—5. If the Subcommittee receives a request pursuant to
38 subsection 4, it shall hold a meeting to consider the request and the
39 application. The meeting must be held not later than 30 days after
40 receipt of the application. Notice of the meeting must be posted in
41 accordance with chapter 241 of NRS. The Subcommittee shall
42 review the application in accordance with the factors set forth in
43 paragraphs (a) and (b) of subsection 1. The Subcommittee shall
44 approve an application if it satisfies the requirements of paragraphs
45 (a) and (b) of subsection 1.]~~



1 ~~—6.]~~ The Subcommittee shall transmit the application and the
2 recommendation of the Subcommittee for approval or denial of the
3 application to the State Board. Not more than 14 days after the date
4 of the meeting of the Subcommittee, ~~[pursuant to subsection 5,]~~ the
5 State Board shall hold a meeting to consider the recommendation of
6 the Subcommittee. Notice of the meeting must be posted in
7 accordance with chapter 241 of NRS. The State Board shall review
8 the application in accordance with the factors set forth in paragraphs
9 (a) and (b) of subsection 1. The State Board shall approve an
10 application if it satisfies the requirements of paragraphs (a) and (b)
11 of subsection 1. Not more than 30 days after the meeting, the State
12 Board shall provide written notice of its determination to the
13 applicant.

14 ~~[7.]~~ 5. If the State Board denies the application, the applicant
15 may, not more than 30 days after the receipt of the written notice
16 from the State Board, appeal the final determination to the district
17 court of the county in which the proposed charter school will be
18 located.

19 **Sec. 8.** NRS 386.527 is hereby amended to read as follows:

20 386.527 1. If the State Board ~~[for the board of trustees of a~~
21 ~~school district]~~ approves an application to form a charter school, it
22 shall grant a written charter to the applicant. The State Board ~~[for the~~
23 ~~board of trustees, as applicable,]~~ shall, not later than 10 days after
24 the approval of the application, provide written notice to the
25 Department of the approval and the date of the approval. ~~[If the~~
26 ~~board of trustees approves the application, the board of trustees shall~~
27 ~~be deemed the sponsor of the charter school. If the State Board~~
28 ~~approves the application:~~

29 ~~—(a) The State Board shall be deemed the sponsor of the charter~~
30 ~~school.~~

31 ~~—(b)]~~ Neither the State of Nevada, the State Board nor the
32 Department is an employer of the members of the governing body of
33 the charter school or any of the employees of the charter school.

34 2. Except as otherwise provided in subsection 4, a written
35 charter must be for a term of 6 years unless the governing body of a
36 charter school renews its initial charter after 3 years of operation
37 pursuant to subsection 2 of NRS 386.530. A written charter must
38 include all conditions of operation set forth in paragraphs (a) to (o),
39 inclusive, of subsection 2 of NRS 386.520 and include the kind of
40 school, as defined in subsections 1 to 4, inclusive, of NRS 388.020
41 for which the charter school is authorized to operate. ~~[If the State~~
42 ~~Board is the sponsor of the charter school, the]~~ **The** written charter
43 must set forth the responsibilities of the sponsor and the charter
44 school with regard to the provision of services and programs to
45 pupils with disabilities who are enrolled in the charter school in



1 accordance with the Individuals with Disabilities Education Act, 20
2 U.S.C. §§ 1400 et seq., and NRS 388.440 to 388.520, inclusive. As
3 a condition of the issuance of a written charter pursuant to this
4 subsection, the charter school must agree to comply with all
5 conditions of operation set forth in NRS 386.550.

6 3. The governing body of a charter school may submit to the
7 sponsor of the charter school a written request for an amendment of
8 the written charter of the charter school. Such an amendment may
9 include, without limitation, the expansion of instruction and other
10 educational services to pupils who are enrolled in grade levels other
11 than the grade levels of pupils currently enrolled in the charter
12 school if the expansion of grade levels does not change the kind of
13 school, as defined in NRS 388.020, for which the charter school is
14 authorized to operate. If the proposed amendment complies with the
15 provisions of this section, NRS 386.500 to 386.610, inclusive, *and*
16 *section 2 of this act* and any other statute or regulation applicable to
17 charter schools, the sponsor shall amend the written charter in
18 accordance with the proposed amendment. If a charter school
19 wishes to expand the instruction and other educational services
20 offered by the charter school to pupils who are enrolled in grade
21 levels other than the grade levels of pupils currently enrolled in the
22 charter school and the expansion of grade levels changes the kind of
23 school, as defined in NRS 388.020, for which the charter school is
24 authorized to operate, the charter school must submit a new
25 application to form a charter school.

26 4. The State Board shall adopt objective criteria for the
27 issuance of a written charter to an applicant who is not prepared to
28 commence operation on the date of issuance of the written charter.
29 The criteria must include, without limitation, the:

- 30 (a) Period for which such a written charter is valid; and
31 (b) Timelines by which the applicant must satisfy certain
32 requirements demonstrating its progress in preparing to commence
33 operation.

34 A holder of such a written charter may apply for grants of money to
35 prepare the charter school for operation. A written charter issued
36 pursuant to this subsection must not be designated as a conditional
37 charter or a provisional charter or otherwise contain any other
38 designation that would indicate the charter is issued for a temporary
39 period.

40 5. The holder of a written charter that is issued pursuant to
41 subsection 4 shall not commence operation of the charter school and
42 is not eligible to receive apportionments pursuant to NRS 387.124
43 until the sponsor has determined that the requirements adopted ~~by~~
44 ~~the State Board~~ pursuant to subsection 4 have been satisfied and
45 that the facility the charter school will occupy has been inspected



1 and meets the requirements of any applicable building codes, codes
2 for the prevention of fire, and codes pertaining to safety, health and
3 sanitation. Except as otherwise provided in this subsection, the
4 sponsor shall make such a determination 30 days before the first day
5 of school for the:

- 6 (a) Schools of the school district in which the charter school is
7 located that operate on a traditional school schedule and not a year-
8 round school schedule; or
- 9 (b) Charter school,

10 whichever date the sponsor selects. The sponsor shall not require a
11 charter school to demonstrate compliance with the requirements of
12 this subsection more than 30 days before the date selected.
13 However, it may authorize a charter school to demonstrate
14 compliance less than 30 days before the date selected.

15 **Sec. 9.** NRS 386.530 is hereby amended to read as follows:

16 386.530 1. Except as otherwise provided in subsection 2, an
17 application for renewal of a written charter ~~may~~ **must** be submitted
18 to the ~~{sponsor of the charter school}~~ **State Board** not less than 90
19 days before the expiration of the charter. The application must
20 include the information prescribed by the regulations of the
21 Department. The ~~{sponsor}~~ **State Board** shall conduct an intensive
22 review and evaluation of the charter school in accordance with the
23 regulations of the Department. The ~~{sponsor}~~ **State Board** shall
24 renew the charter unless it finds the existence of any ground for
25 revocation set forth in NRS 386.535. The ~~{sponsor}~~ **State Board**
26 shall provide written notice of its determination not fewer than 30
27 days before the expiration of the charter. If the ~~{sponsor}~~ **State**
28 **Board** intends not to renew the charter, the written notice must:

- 29 (a) Include a statement of the deficiencies or reasons upon
30 which the action of the ~~{sponsor}~~ **State Board** is based; and
- 31 (b) Prescribe a period of not less than 30 days during which the
32 charter school may correct any such deficiencies.

33 If the charter school corrects the deficiencies to the satisfaction of
34 the ~~{sponsor}~~ **State Board** within the time prescribed in paragraph
35 (b), the ~~{sponsor}~~ **State Board** shall renew the charter of the charter
36 school.

37 2. A charter school may submit an application for renewal of
38 its initial charter after 3 years of operation of the charter school. The
39 application must include the information prescribed by the
40 regulations of the Department. The ~~{sponsor}~~ **State Board** shall
41 conduct an intensive review and evaluation of the charter school in
42 accordance with the regulations of the Department. The ~~{sponsor}~~
43 **State Board** shall renew the charter unless it finds the existence of
44 any ground for revocation set forth in NRS 386.535. The ~~{sponsor}~~
45 **State Board** shall provide written notice of its determination. If the



1 ~~[sponsor]~~ *State Board* intends not to renew the charter, the written
2 notice must:

3 (a) Include a statement of the deficiencies or reasons upon
4 which the action of the ~~[sponsor]~~ *State Board* is based; and

5 (b) Prescribe a period of not less than 30 days during which the
6 charter school may correct any such deficiencies.

7 If the charter school corrects the deficiencies to the satisfaction of
8 the ~~[sponsor]~~ *State Board* within the time prescribed in paragraph
9 (b), the ~~[sponsor]~~ *State Board* shall renew the charter of the charter
10 school.

11 **Sec. 10.** NRS 386.535 is hereby amended to read as follows:

12 386.535 1. The sponsor of a charter school may revoke the
13 written charter of the charter school before the expiration of the
14 charter if the sponsor determines that:

15 (a) The charter school, its officers or its employees have failed
16 to comply with:

17 (1) The terms and conditions of the written charter;

18 (2) Generally accepted standards of accounting and fiscal
19 management; or

20 (3) The provisions of NRS 386.500 to 386.610, inclusive,
21 *and section 2 of this act* or any other statute or regulation applicable
22 to charter schools;

23 (b) The charter school has filed for a voluntary petition of
24 bankruptcy, is adjudicated bankrupt or insolvent, or is otherwise
25 financially impaired such that the charter school cannot continue to
26 operate; or

27 (c) There is reasonable cause to believe that revocation is
28 necessary to protect the health and safety of the pupils who are
29 enrolled in the charter school or persons who are employed by the
30 charter school from jeopardy, or to prevent damage to or loss of the
31 property of the school district or the community in which the charter
32 school is located.

33 2. At least 90 days before the sponsor intends to revoke a
34 written charter, the sponsor shall provide written notice *of its*
35 *intention* to the governing body of the charter school . ~~[of its~~
36 ~~intention.]~~ The written notice must:

37 (a) Include a statement of the deficiencies or reasons upon
38 which the action of the sponsor is based; and

39 (b) Prescribe a period, not less than 30 days, during which the
40 charter school may correct the deficiencies.

41 If the charter school corrects the deficiencies to the satisfaction of
42 the sponsor within the time prescribed in paragraph (b), the sponsor
43 shall not revoke the written charter of the charter school.

44 **3. *The sponsor of a charter school may not include in a***
45 ***written notice pursuant to subsection 2 any deficiency which was***



1 *included in a previous written notice and which was corrected by*
2 *the charter school, unless the deficiency has recurred after being*
3 *corrected.*

4 *4. If the sponsor of a charter school determines that the*
5 *deficiencies included in the written notice have not been corrected*
6 *to its satisfaction, the sponsor shall, at least 30 days before*
7 *revoking the written charter, serve written notice on the governing*
8 *body of the charter school of the date on which the written charter*
9 *will be revoked. The governing body of the charter school, within*
10 *15 days after service of the notice, may submit to the State Board*
11 *in writing a request for a hearing before a hearing officer to*
12 *review the pending revocation of the written charter in accordance*
13 *with the provisions of section 2 of this act. All further action by the*
14 *sponsor in furtherance of the revocation is stayed pending the*
15 *recommendation of the hearing officer.*

16 **Sec. 11.** NRS 386.540 is hereby amended to read as follows:
17 386.540 1. The Department shall adopt regulations that
18 prescribe:

19 (a) ~~The process for submission of an application by the board~~
20 ~~of trustees of a school district to the Department for authorization to~~
21 ~~sponsor charter schools and the contents of the application;~~

22 ~~—(b)~~ The process for submission of an application to form a
23 charter school to the Department ~~[, the board of trustees of a school~~
24 ~~district]~~ and the Subcommittee on Charter Schools, and the contents
25 of the application;

26 ~~(c)~~ (b) The process for submission of an application to renew a
27 written charter; and

28 ~~(d)~~ (c) The criteria and type of investigation that must be
29 applied by ~~the board of trustees,~~ the Subcommittee on Charter
30 Schools and the State Board in determining whether to approve an
31 application to form a charter school or an application to renew a
32 written charter.

33 2. The Department may adopt regulations as it determines are
34 necessary to carry out the provisions of NRS 386.500 to 386.610,
35 inclusive, *and section 2 of this act* including, without limitation,
36 regulations that prescribe the procedures for accounting, budgeting
37 and annual audits of charter schools.

38 **Sec. 12.** NRS 386.570 is hereby amended to read as follows:

39 386.570 1. Each pupil who is enrolled in a charter school,
40 including, without limitation, a pupil who is enrolled in a program
41 of special education in a charter school, must be included in the
42 count of pupils in the school district for the purposes of
43 apportionments and allowances from the State Distributive School
44 Account pursuant to NRS 387.121 to 387.126, inclusive, unless the
45 pupil is exempt from compulsory attendance pursuant to NRS



1 392.070. A charter school is entitled to receive its proportionate
2 share of any other money available from federal, state or local
3 sources that the school or the pupils who are enrolled in the school
4 are eligible to receive. If a charter school receives special education
5 program units directly from this state, the amount of money for
6 special education that the school district pays to the charter school
7 may be reduced proportionately by the amount of money the charter
8 school received from this state for that purpose.

9 2. All money received by the charter school from this state or
10 from the board of trustees of a school district must be deposited in a
11 bank, credit union or other financial institution in this state. The
12 governing body of a charter school may negotiate with the board of
13 trustees of the school district and the State Board for additional
14 money to pay for services which the governing body wishes to offer.

15 3. Upon completion of a school year, the sponsor of a charter
16 school may request reimbursement from the governing body of the
17 charter school for the administrative costs associated with
18 sponsorship for that school year if the sponsor provided
19 administrative services during that school year. Upon receipt of such
20 a request, the governing body shall pay the reimbursement to the
21 board of trustees of the school district, if the board of trustees
22 sponsors the charter school, or to the Department if the State Board
23 sponsors the charter school. If a governing body fails to pay the
24 reimbursement, the charter school shall be deemed to have violated
25 its written charter and the sponsor may take such action to revoke
26 the written charter pursuant to NRS 386.535 as it deems necessary.
27 The amount of reimbursement that a charter school may be required
28 to pay pursuant to this subsection must not exceed:

29 (a) For the first year of operation of the charter school, 2 percent
30 of the total amount of money apportioned to the charter school
31 during the year pursuant to NRS 387.124.

32 (b) ~~For~~ *Except as otherwise provided in paragraph (c), for*
33 any year after the first year of operation of the charter school, 1
34 percent of the total amount of money apportioned to the charter
35 school during the year pursuant to NRS 387.124.

36 (c) *For the first year that a charter school is sponsored by the*
37 *State Board if the charter school submitted a written request to be*
38 *sponsored by the State Board pursuant to paragraph (b) of*
39 *subsection 2 of NRS 386.515, 2 percent of the total amount of*
40 *money apportioned to the charter school during the year pursuant*
41 *to NRS 387.124.*

42 4. To determine the amount of money for distribution to a
43 charter school in its first year of operation, the count of pupils who
44 are enrolled in the charter school must initially be determined 30
45 days before the beginning of the school year of the school district,



1 based on the number of pupils whose applications for enrollment
2 have been approved by the charter school. The count of pupils who
3 are enrolled in the charter school must be revised on the last day of
4 the first school month of the school district in which the charter
5 school is located for the school year, based on the actual number of
6 pupils who are enrolled in the charter school. Pursuant to subsection
7 5 of NRS 387.124, the governing body of a charter school may
8 request that the apportionments made to the charter school in its first
9 year of operation be paid to the charter school 30 days before the
10 apportionments are otherwise required to be made.

11 5. If a charter school ceases to operate as a charter school
12 during a school year, the remaining apportionments that would have
13 been made to the charter school pursuant to NRS 387.124 for that
14 year must be paid on a proportionate basis to the school districts
15 where the pupils who were enrolled in the charter school reside.

16 6. The governing body of a charter school may solicit and
17 accept donations, money, grants, property, loans, personal services
18 or other assistance for purposes relating to education from members
19 of the general public, corporations or agencies. The governing body
20 may comply with applicable federal laws and regulations governing
21 the provision of federal grants for charter schools. The State Board
22 may assist a charter school that operates exclusively for the
23 enrollment of pupils who receive special education in identifying
24 sources of money that may be available from the Federal
25 Government or this state for the provision of educational programs
26 and services to such pupils.

27 7. If a charter school uses money received from this state to
28 purchase real property, buildings, equipment or facilities, the
29 governing body of the charter school shall assign a security interest
30 in the property, buildings, equipment and facilities to the State of
31 Nevada.

32 **Sec. 13.** NRS 387.124 is hereby amended to read as follows:

33 387.124 Except as otherwise provided in this section and
34 NRS 387.528:

35 1. On or before August 1, November 1, February 1 and May 1
36 of each year, the Superintendent of Public Instruction shall
37 apportion the State Distributive School Account in the State General
38 Fund among the several county school districts and charter schools
39 in amounts approximating one-fourth of their respective yearly
40 apportionments less any amount set aside as a reserve. The
41 apportionment to a school district, computed on a yearly basis,
42 equals the difference between the basic support and the local funds
43 available pursuant to NRS 387.1235, minus all the funds attributable
44 to pupils who reside in the county but attend a charter school and all
45 the funds attributable to pupils who reside in the county and are



1 enrolled full-time or part-time in a program of distance education
2 provided by another school district or a charter school. No
3 apportionment may be made to a school district if the amount of the
4 local funds exceeds the amount of basic support. If an agreement is
5 not filed for a pupil who is enrolled in a program of distance
6 education as required by NRS 388.854, the Superintendent of Public
7 Instruction shall not apportion money for that pupil to the board of
8 trustees of the school district in which the pupil resides, or the board
9 of trustees or governing body that provides the program of distance
10 education.

11 2. Except as otherwise provided in subsection 3, the
12 apportionment to a charter school, computed on a yearly basis, is
13 equal to the sum of the basic support per pupil in the county in
14 which the pupil resides plus the amount of local funds available per
15 pupil pursuant to NRS 387.1235 and all other funds available for
16 public schools in the county in which the pupil resides minus all the
17 funds attributable to pupils who are enrolled in the charter school
18 but are concurrently enrolled part-time in a program of distance
19 education provided by a school district or another charter school. If
20 the apportionment per pupil to a charter school is more than the
21 amount to be apportioned to the school district in which a pupil who
22 is enrolled in the charter school resides, the school district in which
23 the pupil resides shall pay the difference directly to the charter
24 school.

25 3. ~~Except as otherwise provided in this subsection, the~~ *The*
26 apportionment to a charter school that is sponsored by the State
27 Board, computed on a yearly basis, is equal to ~~;~~

28 ~~(a) The~~ *the* sum of the basic support per pupil in the county in
29 which the pupil resides plus the amount of local funds available per
30 pupil pursuant to NRS 387.1235 and all other funds available for
31 public schools in the county in which the pupil resides ~~;~~ *or*

32 ~~(b) The statewide average per pupil amount for pupils who are~~
33 ~~enrolled full time, whichever is greater. If the calculation set forth in~~
34 ~~paragraph (a) is less than the calculation pursuant to paragraph (b);~~
35 ~~the school district in which the charter school is located shall pay~~
36 ~~the difference directly to the charter school. If a charter school~~
37 ~~provides a program of distance education pursuant to NRS 388.820~~
38 ~~to 388.874, inclusive, the apportionment to the charter school for~~
39 ~~pupils who are enrolled in the program of distance education must~~
40 ~~be calculated as set forth in subsection 2 or 4, as applicable.] ,~~
41 *minus all funds attributable to pupils who are enrolled in the*
42 *charter school but are concurrently enrolled part-time in a*
43 *program of distance education provided by a school district or*
44 *another charter school.*



1 4. In addition to the apportionments made pursuant to this
2 section, an apportionment must be made to a school district or
3 charter school that provides a program of distance education for
4 each pupil who is enrolled part-time in the program if an agreement
5 is filed for that pupil pursuant to NRS 388.854 or 388.858, as
6 applicable. The amount of the apportionment must be equal to the
7 percentage of the total time services are provided to the pupil
8 through the program of distance education per school day in
9 proportion to the total time services are provided during a school
10 day to pupils who are counted pursuant to subparagraph (2) of
11 paragraph (a) of subsection 1 of NRS 387.1233 for the school
12 district in which the pupil resides.

13 5. The governing body of a charter school may submit a
14 written request to the Superintendent of Public Instruction to
15 receive, in the first year of operation of the charter school, an
16 apportionment 30 days before the apportionment is required to be
17 made pursuant to subsection 1. Upon receipt of such a request, the
18 Superintendent of Public Instruction may make the apportionment
19 30 days before the apportionment is required to be made. A charter
20 school may receive all four apportionments in advance in its first
21 year of operation.

22 6. If the State Controller finds that such an action is needed to
23 maintain the balance in the State General Fund at a level sufficient
24 to pay the other appropriations from it, he may pay out the
25 apportionments monthly, each approximately one-twelfth of the
26 yearly apportionment less any amount set aside as a reserve. If such
27 action is needed, the State Controller shall submit a report to the
28 Department of Administration and the Fiscal Analysis Division of
29 the Legislative Counsel Bureau documenting reasons for the action.

30 **Sec. 14.** NRS 389.632 is hereby amended to read as follows:

31 389.632 1. Except as otherwise provided in subsection 8, if
32 the Department determines:

33 (a) That at least one irregularity in testing administration
34 occurred at a school, including, without limitation, a charter school,
35 during 1 school year on the examinations administered pursuant to
36 NRS 389.015, excluding the high school proficiency examination;

37 (b) That in the immediately succeeding school year, at least one
38 additional irregularity in testing administration occurred at that
39 school on the examinations administered pursuant to NRS 389.015,
40 excluding the high school proficiency examination; and

41 (c) Based upon the criteria set forth in subsection 5, that the
42 irregularities described in paragraphs (a) and (b) warrant an
43 additional administration of the examinations,
44 the Department shall notify the school and the school district in
45 which the school is located that the school is required to provide for



1 an additional administration of the examinations to pupils who are
2 enrolled in a grade that is required to take the examinations pursuant
3 to NRS 389.015, excluding the high school proficiency
4 examination, or to the pupils the Department determines must take
5 the additional administration pursuant to subsection 6. The
6 additional administration must occur in the same school year in
7 which the irregularity described in paragraph (b) occurred. ~~The~~
8 *Except as otherwise provided in this subsection, the* school district
9 shall pay for all costs related to the administration of examinations
10 pursuant to this subsection. *If a charter school is required to*
11 *administer examinations pursuant to this subsection, the charter*
12 *school shall pay for all costs related to the administration of the*
13 *examinations to pupils enrolled in the charter school.*

14 2. If the Department determines that:

15 (a) At least one irregularity in testing administration occurred at
16 a school, including, without limitation, a charter school, during 1
17 school year on the examinations administered pursuant to
18 NRS 389.550;

19 (b) In the immediately succeeding school year, at least one
20 additional irregularity in testing administration occurred at that
21 school on the examinations administered pursuant to NRS 389.550;
22 and

23 (c) Based upon the criteria set forth in subsection 5, that the
24 irregularities described in paragraphs (a) and (b) warrant an
25 additional administration of the examinations,
26 the Department shall notify the school and the school district in
27 which the school is located that the school is required to provide for
28 an additional administration of the examinations to pupils who are
29 enrolled in a grade that is required to take the examinations pursuant
30 to NRS 389.550 or to the pupils the Department determines must
31 take the additional administration pursuant to subsection 6. The
32 additional administration must occur in the same school year in
33 which the irregularity described in paragraph (b) occurred. ~~The~~
34 *Except as otherwise provided in this subsection, the* school district
35 shall pay for all costs related to the administration of examinations
36 pursuant to this subsection. *If a charter school is required to*
37 *administer examinations pursuant to this subsection, the charter*
38 *school shall pay for all costs related to the administration of the*
39 *examinations to pupils enrolled in the charter school.*

40 3. If the Department determines that:

41 (a) At least one irregularity in testing administration occurred at
42 a school, including, without limitation, a charter school, during 1
43 school year on the examinations administered pursuant to NRS
44 389.015, excluding the high school proficiency examination;



1 (b) In the immediately succeeding school year, at least one
2 additional irregularity in testing administration occurred at that
3 school on the examinations administered pursuant to NRS 389.550;
4 and

5 (c) Based upon the criteria set forth in subsection 5, that the
6 irregularities described in paragraphs (a) and (b) warrant an
7 additional administration of the examinations,
8 the Department shall notify the school and the school district in
9 which the school is located that the school is required to provide for
10 an additional administration of the examinations to pupils who are
11 enrolled in a grade that is required to take the examinations pursuant
12 to NRS 389.550 or to the pupils the Department determines must
13 take the additional administration pursuant to subsection 6. The
14 additional administration must occur in the same school year in
15 which the irregularity described in paragraph (b) occurred. ~~The~~
16 *Except as otherwise provided in this subsection, the* school district
17 shall pay for all costs related to the administration of examinations
18 pursuant to this subsection. *If a charter school is required to*
19 *administer examinations pursuant to this subsection, the charter*
20 *school shall pay for all costs related to the administration of the*
21 *examinations to pupils enrolled in the charter school.*

22 4. Except as otherwise provided in subsection 8, if the
23 Department determines that:

24 (a) At least one irregularity in testing administration occurred at
25 a school, including, without limitation, a charter school, during 1
26 school year on the examinations administered pursuant to
27 NRS 389.550;

28 (b) In the immediately succeeding school year, at least one
29 additional irregularity in testing administration occurred at that
30 school on the examinations administered pursuant to NRS 389.015,
31 excluding the high school proficiency examination; and

32 (c) Based upon the criteria set forth in subsection 5, that the
33 irregularities described in paragraphs (a) and (b) warrant an
34 additional administration of the examinations,
35 the Department shall notify the school and the school district in
36 which the school is located that the school is required to provide for
37 an additional administration of the examinations to pupils who are
38 enrolled in a grade that is required to take the examinations pursuant
39 to NRS 389.015, excluding the high school proficiency
40 examination, or to the pupils the Department determines must take
41 the additional administration pursuant to subsection 6. The
42 additional administration must occur in the same school year in
43 which the irregularity described in paragraph (b) occurred. ~~The~~
44 *Except as otherwise provided in this subsection, the* school district
45 shall pay for all costs related to the administration of examinations



1 pursuant to this subsection. *If a charter school is required to*
2 *administer examinations pursuant to this subsection, the charter*
3 *school shall pay for all costs related to the administration of the*
4 *examinations to pupils enrolled in the charter school.*

5 5. In determining whether to require a school to provide for an
6 additional administration of examinations pursuant to this section,
7 the Department shall consider:

8 (a) The effect of each irregularity in testing administration,
9 including, without limitation, whether the irregularity required the
10 scores of pupils to be invalidated; and

11 (b) Whether sufficient time remains in the school year to
12 provide for an additional administration of examinations.

13 6. If the Department determines pursuant to subsection 5 that a
14 school must provide for an additional administration of
15 examinations, the Department may consider whether the most recent
16 irregularity in testing administration affected the test scores of a
17 limited number of pupils and require the school to provide an
18 additional administration of examinations pursuant to this section
19 only to those pupils whose test scores were affected by the most
20 recent irregularity.

21 7. The Department shall provide as many notices pursuant to
22 this section during 1 school year as are applicable to the
23 irregularities occurring at a school. A school shall provide for
24 additional administrations of examinations pursuant to this section
25 within 1 school year as applicable to the irregularities occurring at
26 the school.

27 8. If a school is required to provide an additional
28 administration of examinations pursuant to subsection 2 of NRS
29 385.368 for a school year, the school is not required to provide for
30 an additional administration pursuant to subsection 1 or 4 in that
31 school year. The Department shall ensure that the information
32 required pursuant to paragraph (b) of subsection 3 of NRS 389.648
33 is included in its report for the additional administration provided by
34 such a school pursuant to subsection 2 of NRS 385.368.

35 **Sec. 15.** NRS 233B.039 is hereby amended to read as follows:

36 233B.039 1. The following agencies are entirely exempted
37 from the requirements of this chapter:

- 38 (a) The Governor.
- 39 (b) The Department of Corrections.
- 40 (c) The University and Community College System of Nevada.
- 41 (d) The Office of the Military.
- 42 (e) The State Gaming Control Board.
- 43 (f) The Nevada Gaming Commission.
- 44 (g) The Welfare Division of the Department of Human
45 Resources.



1 (h) The Division of Health Care Financing and Policy of the
2 Department of Human Resources.

3 (i) The State Board of Examiners acting pursuant to chapter 217
4 of NRS.

5 (j) Except as otherwise provided in NRS 533.365, the Office of
6 the State Engineer.

7 (k) The Division of Industrial Relations of the Department of
8 Business and Industry acting to enforce the provisions of
9 NRS 618.375.

10 (l) The Administrator of the Division *of Industrial Relations* in
11 establishing and adjusting the schedule of fees and charges for
12 accident benefits pursuant to subsection 2 of NRS 616C.260.

13 (m) The Board to Review Claims in adopting resolutions to
14 carry out its duties pursuant to NRS 590.830.

15 2. Except as otherwise provided in *this subsection and*
16 *subsection 5*, ~~and NRS 391.323,~~ the Department of Education, the
17 Board of the Public Employees' Benefits Program and the
18 Commission on Professional Standards in Education are subject to
19 the provisions of this chapter for the purpose of adopting regulations
20 but not with respect to any contested case. *The provisions of this*
21 *chapter regarding contested cases do apply with respect to matters*
22 *set forth in NRS 391.323 and section 2 of this act.*

23 3. The special provisions of:

24 (a) Chapter 612 of NRS for the distribution of regulations by
25 and the judicial review of decisions of the Employment Security
26 Division of the Department of Employment, Training and
27 Rehabilitation;

28 (b) Chapters 616A to 617, inclusive, of NRS for the
29 determination of contested claims;

30 (c) Chapter 703 of NRS for the judicial review of decisions of
31 the Public Utilities Commission of Nevada;

32 (d) Chapter 91 of NRS for the judicial review of decisions of the
33 Administrator of the Securities Division of the Office of the
34 Secretary of State; and

35 (e) NRS 90.800 for the use of summary orders in contested
36 cases,
37 prevail over the general provisions of this chapter.

38 4. The provisions of NRS 233B.122, 233B.124, 233B.125 and
39 233B.126 do not apply to the Department of Human Resources in
40 the adjudication of contested cases involving the issuance of letters
41 of approval for health facilities and agencies.

42 5. The provisions of this chapter do not apply to:

43 (a) Any order for immediate action, including, but not limited
44 to, quarantine and the treatment or cleansing of infected or infested
45 animals, objects or premises, made under the authority of the State



1 Board of Agriculture, the State Board of Health, the State Board of
2 Sheep Commissioners or any other agency of this state in the
3 discharge of a responsibility for the preservation of human or animal
4 health or for insect or pest control;

5 (b) An extraordinary regulation of the State Board of Pharmacy
6 adopted pursuant to NRS 453.2184; or

7 (c) A regulation adopted by the State Board of Education
8 pursuant to NRS 392.644 or 394.1694.

9 6. The State Board of Parole Commissioners is subject to the
10 provisions of this chapter for the purpose of adopting regulations but
11 not with respect to any contested case.

12 **Sec. 16.** Notwithstanding the provisions of section 5 of this act
13 to the contrary, a charter school that is approved by the board of
14 trustees of a school district to commence operation in the 2003-2004
15 school year may not submit a written request to be sponsored by the
16 State Board of Education until July 1, 2004.

17 **Sec. 17.** This act becomes effective on July 1, 2003.

