

ASSEMBLY BILL NO. 47—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE CLARK COUNTY SCHOOL DISTRICT)

PREFILED NOVEMBER 19, 2024

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to the Education Stabilization Account. (BDR 34-461)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 education; requiring money in the Education Stabilization Account that exceeds a certain percentage of appropriations and authorizations from the State Education Fund to be used to make allocations to school districts for the retention, recruitment and training of educational personnel; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law creates the Education Stabilization Account in the State Education
2 Fund and authorizes money in the Account to be transferred to the State Education
3 Fund under certain circumstances that create a shortfall of revenue in the State
4 Education Fund. Under existing law, certain amounts are required to be transferred
5 to the Account, but the balance in the Account is prohibited from exceeding 20
6 percent of the total of all appropriations and authorizations from the State
7 Education Fund, excluding the Account, for the immediately preceding fiscal year.
8 Existing law requires any money transferred to the Account which exceeds this
9 amount to instead be transferred to the State Education Fund. (NRS 387.1213) This
10 bill requires that any money transferred to the Account which exceeds this amount
11 instead be transferred to the Department of Education for allocation to each school
12 district in this State in an amount that is proportional to the number of pupils
13 enrolled in the school district, as compared to the total number of pupils enrolled in
14 a school district in this State. This bill requires: (1) the board of trustees of each
15 school district to submit to the Department a plan for the expenditure of such
16 money; and (2) such money to be used for the retention, recruitment, training and
17 professional development of teachers and other educational personnel. Finally, this
18 bill requires the superintendent of each school district to submit a report to the
19 Department, on or before November 1 of each fiscal year following a fiscal year in



20 which the school district receives such money, regarding the use of such money in
21 the immediately preceding fiscal year and the success of efforts to retain, recruit,
22 train and provide professional development to teachers and other educational
23 personnel.

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

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

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

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

17 3. The balance in the Education Stabilization Account must not
18 exceed 20 percent of the total of all appropriations and
19 authorizations from the State Education Fund, excluding the
20 Education Stabilization Account, for the immediately preceding
21 fiscal year. Any money transferred to the Education Stabilization
22 Account which exceeds this amount must instead be transferred to
23 the ~~[State Education Fund.]~~ *Department for allocation to each*
24 *county school district in this State in an amount that is*
25 *proportional to the number of pupils enrolled in the county school*
26 *district, as compared to the total number of pupils enrolled in a*
27 *county school district in this State. If money is allocated to*
28 *a county school district in a fiscal year, the board of trustees of the*
29 *county school district shall submit to the Department a plan for*
30 *the expenditure of money allocated to the county school district*
31 *pursuant to this subsection. If the Superintendent of Public*
32 *Instruction determines that the county school district will use the*
33 *money allocated to it pursuant to this subsection for the purposes*
34 *set forth in this subsection and will comply with the requirements*
35 *of subsection 8, the Superintendent of Public Instruction shall*
36 *direct the State Controller to transfer to each county school district*
37 *the amount of money allocated to it pursuant to this subsection.*



1 *The State Controller shall thereupon make the transfer. Any*
2 *money transferred to a county school district pursuant to this*
3 *subsection must be used for:*

4 *(a) The retention and recruitment of teachers and other*
5 *educational personnel; and*

6 *(b) The training and professional development of teachers and*
7 *other educational personnel.*

8 4. If the Interim Finance Committee finds that:

9 (a) Upon submission of a request from the Department, the
10 actual enrollment growth for a fiscal year exceeds the projected
11 enrollment growth by an amount that the Interim Finance
12 Committee determines would make a transfer of money to the State
13 Education Fund necessary to fund the excess enrollment;

14 (b) The collection of revenue in any fiscal year will result in the
15 State Education Fund receiving less money than authorized for
16 expenditure from the State Education Fund;

17 (c) Upon submission of a request from the Department, any
18 amount of money which was deposited in the State Education Fund
19 is found by an audit to have been deposited in error; or

20 (d) Upon submission of a request from the Department, any
21 error in the application of the Pupil-Centered Funding Plan by the
22 Department has created a shortfall in the State Education Fund,

23 ➤ the Committee shall by resolution establish an amount of money
24 to transfer from the Education Stabilization Account to the State
25 Education Fund and direct the State Controller to transfer that
26 amount to the State Education Fund. The State Controller shall
27 thereupon make the transfer.

28 5. When determining the actual ending fund balance for the
29 purposes of subsection 1, each county school district shall exclude:

30 (a) Any money deposited in the county school district fund on or
31 before June 30, 2020;

32 (b) Any money apportioned to the county school district for
33 capital projects or debt service pursuant to subsection 2 of NRS
34 362.170 and deposited in the county school district fund when
35 authorized by law; and

36 (c) Any money transferred to the county school district and
37 authorized for expenditure as a continuing appropriation pursuant to
38 paragraph (b) of subsection 6 of NRS 387.1214.

39 6. If the Superintendent of Public Instruction determines that
40 the money due from the State Education Fund to a county school
41 district, charter school or university school for profoundly gifted
42 pupils pursuant to NRS 387.185 exceeds the amount of money
43 available in the State Education Fund because of a delay in expected
44 receipts, he or she may request from the Director of the Office of
45 Finance a temporary advance from the Education Stabilization



1 Account for the payment of such money due. Upon receipt of such a
2 request, the Director of the Office of Finance shall make a
3 recommendation to the Interim Finance Committee to approve the
4 temporary advance in whole or in part or to deny the request. If the
5 Interim Finance Committee approves the request in whole or in part,
6 the Director of the Office of Finance shall notify the State Controller
7 and the Fiscal Analysis Division of the Legislative Counsel Bureau
8 of the amount approved by the Interim Finance Committee, and the
9 State Controller shall draw his or her warrant upon receipt of such a
10 notice of approval. Any money which is temporarily advanced from
11 the Education Stabilization Account pursuant to this subsection
12 must be repaid by August 31 following the end of the fiscal year in
13 which the temporary advance is made.

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

21 8. *On or before November 1 of the fiscal year immediately*
22 *following a fiscal year in which money was transferred to a county*
23 *school district pursuant to subsection 3, the superintendent of*
24 *each county school district receiving such a transfer shall submit a*
25 *report to the Department that:*

26 (a) *Identifies the manner in which the county school district*
27 *spent the money transferred to the county school district pursuant*
28 *to subsection 3 in the immediately preceding fiscal year;*

29 (b) *Compares the actual expenditure of such money to the plan*
30 *developed by the board of trustees of the school district pursuant*
31 *to subsection 3; and*

32 (c) *Contains information detailing the success of efforts to:*

33 (1) *Retain and recruit teachers and other educational*
34 *personnel; and*

35 (2) *Train and provide professional development to teachers*
36 *and other educational personnel.*

37 **Sec. 2.** This act becomes effective on July 1, 2025.

