NEVADA

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I. GENERAL BACKGROUND

State

The Nevada Plan, adopted by the state legislature in 1967, is the current method used to finance public education. It is a minimum foundation program. The development of the Nevada Plan represented the final step in a decade-long effort to restructure elementary and secondary education in the state of Nevada from a system of more than 200 school districts to a system of 17 co-terminus county districts. However, with the rapid growth of some areas, particularly Clark County (Las Vegas), there has been recent interest in deconsolidation. A study examining the deconsolidation issue made recommendations to the Nevada State Legislature in 1997 but the legislature chose not to act upon the recommendations.

The State Distributive School Account, derived from the State Permanent School Fund, is used to make payments to local school districts through the Nevada Plan. It is funded by an appropriation from the General Fund. A 25-cent property tax, a 2.25-cent sales tax on certain tangible personal property, a tax on out-of-state sales, income from a federal mineral land lease, interest from the Permanent School Fund and investments, and an annual slot machine tax.

The 1979 Legislature approved a property tax relief package that reduced the total levy for school districts from $1.50 ($0.70 mandatory and $0.80 optional) to $0.50 per $100 of assessed valuation. The 1981 Legislature increased the local school support tax from 1.0% to 1.5% of taxable sales.

As a result of the 1981 tax shift, which substituted sales tax for property tax, local governments were hit hard when sales tax collections failed to meet estimates during the 1983 national recession. In response to the revenue shortfall, the 1983

Legislature increased the property tax rate for local school districts from $0.50 to $0.75 per $100 of assessed valuation and placed the extra $0.25 in the Nevada Plan formula to offset state general funds.

In 1991, the Legislature increased the reliance of local school districts on the sales tax by raising the local school support tax from 1.5% to 2.25% on taxable sales, effective October 1, 1991.

Local

The state has 17 fiscally independent school districts.

Local revenues in addition to state basic support include an additional $0.50 per $100 of assessed valuation (total mandatory levy is $0.75) on real property, revenue from the motor vehicle privilege tax, receipts from a franchise tax, federal impact aid monies, and other miscellaneous sources.

Funding Summary 1998–1999

Total State School Aid (All Programs)*			$	882	million
Grants in aid	882	million			
Teacher Retirement Contributions	0	million			
FICA	0	million			
Total Local School Revenue			$	332	million
Property Tax	210	million			
Other local source tax revenue	122	million			
Local source non-tax revenue	0	million			
Total Combined State and Local School Revenue			$	1,214	million
State Financed Property Tax Credits Attributable to School Taxes				0	

* Total State School Aid includes $560 million generated by the Local School Support Tax (see Section II) and $103 million from a 25-cent property tax. Nevada treats these taxes as a mandatory local revenue contribution toward the

basic support program. For purposes of this summary it is treated as state revenue returned to the county of origin to support education

II. LOCAL SCHOOL REVENUE

Property Tax

An ad valorem tax rate of 75 cents per $100 of assessed valuation is a mandatory levy for local school districts; the estimated receipts from this tax for FY 1998–1999 are $312.4 million. Of this 75-cent rate, one-third of the revenues are considered as state funds in the calculation of state aid to the local school districts.

The State Department of Taxation is charged with conducting an assessment ratio study of all 17 counties, alternating nine counties in one year and eight counties in the next. The study is used to determine the ratio of the assessed value of each class of property in each county (other than centrally assessed property) to the assessed value of comparable property in the remaining counties and the taxable value of that type of property within the county. Upon completion of the study, the Department publishes a report that provides a comparison of the latest ratios for the total property of each county and for each class of property in each county. A determination as to whether each county is assessing property in a correct and timely manner, and a summary for each county of any deficiencies was discovered during the study. When deficiencies are discovered, the board of county commissioners of the county with the reported deficiency must agree to remedy the deficiency or show by means of an outside appraiser that the deficiency does not exist.

Income Tax

There is a constitutional prohibition against a state income tax.

Local School Support Tax

The Local School Support Tax is a 2.25 cent sales tax on certain tangible personal property. It is state mandated and is treated as state revenue returned to the county of origin to support education.

Other Sources of Local Tax Revenue

Other sources of local tax revenues include a motor vehicle privilege tax, a franchise tax, federal revenues, and other miscellaneous revenues.

Tax Credits and Exemptions

The following tax credits and exemptions currently are in operation in Nevada: (1) Local government operating revenues from property on prior years tax roll can increase by only 6% of the allowed revenue in the succeeding year; (2) Citizens over 62 years of age and with household incomes of less than $19,100 per year are entitled to an allowance against their property taxes or rental payments (property taxes are deemed 8.5% of rent) the amount of allowance ranges from 10% to 90% depending on income level; (3) Several business tax incentives exist including a five year phase-in for new businesses, sales tax deferrals of up to five years for companies who are making major capital purchases, and exemptions of up to 50% on the business tax for businesses who provide on-site child care or vouchers for child care for employees who earn up to 150% of poverty level; (4) Sales and use tax incentives include a deferral of up to five years for capital purchases, an abatement of all but 2.0% of sales tax for new or expanding companies for eligible merchandise and equipment and for the purchase of aircraft or components of an aircraft; and (5) Property tax relief for companies includes up to a 75% reduction of the real property tax for a period of up to 20 years for companies that provide renewable energy sources which meet specific criteria, up to a 50% reduction for new or expanding companies that meet the state's diversification criteria, pay 125% of the state average wage and provide health insurance to employees, and a personal property tax credit for computer equipment donated to a non-profit educational foundation.

III. TAX AND SPENDING LIMITS

Tax Limits

The state of Nevada sets limits on the aggregate tax rates that can be levied on property. The maximum rate set by the Nevada Constitution is $5 per $100 of assessed valuation, but state statutes further limit the maximum local property tax rate to $3.64 per $100 of assessed valuation.

For operations, school districts are limited to a mandatory property tax levy of $0.75 per $100 of assessed property valuation. Property tax levies for debt service, "pay-as-you-go" financing of capital outlay, or safety and security are separate from the 75-cent operating rate.

Spending Limits

Nevada school districts are not subject to state imposed spending limits beyond the statutory requirement for a balanced budget. However, local school districts do *not* have statutory authority to levy additional taxes to supplement the state program.

Voter Approval of Budgets and Bond Issues

School district budgets in Nevada are adopted by a majority vote of governing board members. This is done after the requirements of a timely notice/publication and a public hearing are met. There is no requirement for direct voter approval. The issuance of bonds for capital projects require a referendum of the registered voters of a particular school district. A simple majority of the voters voting on the issue are needed for approval. The number of times a district seeks voter approval for a bond issue is not limited by statute.

IV. STATE/PROVINCIAL EARMARKED TAX REVENUE

The following state revenues are earmarked by law for school aid:

Local School Support Tax: The Local Support Tax is a 2.25 cents sales tax levied by the state for the support of schools. The state returns the tax to the county of origin. The Local Support Tax Law was enacted in 1967. The Legislature required an increased contribution by local districts for the support of schools, but determined that the increase could not come from a property tax increase. Thus, a sales tax was approved, and "to avoid imposing unfair competitive hardships upon merchants in the several counties," the tax was set at the same rate in each county and also on goods purchased outside the state for use in the state. The act further justified the mandatory and uniform rate for taxing sales by comparing it to the mandatory and uniform rate for the property tax levy.

Estate Tax: The 1989 Legislature created the Trust Fund for Class-size Reduction by directing that half of the estate tax revenues be placed in a trust fund and used solely for class-size reduction for public K–12 education. The other half of estate tax revenues is earmarked for higher education and placed in an endowment fund.

V. THE BASIC SUPPORT PROGRAM

The Nevada Plan

Funding in 1998–1999: $1,048 million (state and local combined).

Percentage of Total State Aid: N/A.

Nature of the Program: Minimum Foundation Program (NEV. REV. STATE. § 387.121).

Allocation Units: Weighted count of pupils enrolled in the public schools on the last day of the first month of the school year. Kindergartners and certain disabled preschool children with disabilities are counted as six tenths of a student.

Local Fiscal Capacity: Equalized assessed property valuation and sales tax receipts.

How Formula Operates: The Nevada Plan provides a basic per-pupil guarantee, equalized in order to provide for variations in educational costs and local wealth. The basic support guarantee figure for each district is determined by law each biennium. The calculation of basic support is stipulated in statute (NEV. REV. STATE. § 387.1233). Each school district is assigned a basic support guarantee per-pupil, and the total amount of dollars needed to provide this guarantee is a joint responsibility of the state and local school district. Additionally, a plan to provide categorical state aid for special education programs based on a unit allocation was incorporated into the Nevada Plan in 1973. The formula is summarized below:

Total Guaranteed Support = (Total Pupil Count x Basic Support Guarantee per-pupil) + (Special Education Units x Guarantee per-unit)

Basic Support

Calculation of the state basic support guarantee consists of four steps: determining the basic support ratio, calculating the wealth equalization factor, calculating the transportation allotment, and determining the basic support per pupil dollar amount. Each local school district's basic support guarantee is unique to that district. The factors considered by the state legislature in determining the per-pupil basic support guarantee for each school district are described below:

Step1 - Basic Support Ratio. This part of the basic guarantee is calculated for each district and is expressed as a district ratio in relation to a statewide average. The ratio for each district is based on teacher allotments, staff costs, and operating costs. The ratio is determined as follows:

First, teacher allocations are determined based on school enrollment. Each school district's schools are disaggregated and organized into "attendance areas" based on location (several schools in close proximity are considered one attendance area) and school enrollments. The NDE has adopted tables for teacher allocations by school enrollments which are applied to each "attendance area." (Example: Formula funding for elementary schools with enrollments of 160–200 would provide nine teachers; for elementary schools with enrollments of 100–3000, a divisor of 22.8 pupils per teacher would be used. For secondary schools of 156–260, the formula would provide 15 teachers; for secondary schools with 1,000–2,799 pupils, a divisor of 22.0 pupils would be used.) Next, the district is reconstituted and allowable teacher allocations for each "attendance area" are summed to determine the teacher allocations for each school district.

In addition to teacher allocations, each district is granted allocations for other certified staff on the basis of pupil enrollment within a school attendance area. Like teacher allocations, other licenced non teaching staff allocations are determined from tables prepared by the NDE and similar consideration for granting additional allocations to small schools is included in the calculations.

In order to adjust for similarities and differences among the school districts, the seventeen districts are grouped into four brackets: the very large; the centralized, compact; the rural, spread out; and the very small. The ratios of licensed non teaching staff, and the dollar amounts for salary costs and operational costs are the same for each of the districts in the four groups.

Once teacher and other licensed non teaching staff allocations are determined, staffing and operating costs per pupil are calculated for each district. The calculation uses (1) pre-established amounts that represent the estimated operating costs per pupil for elementary and secondary pupils and (2) the average district staff cost.

Finally, a statewide average cost per-pupil is determined by adding the values for all districts and dividing the total by the statewide enrollment. The statewide cost per-pupil is assigned a value of 1.000 and each district is assigned a ratio value equivalent to their respective cost per-pupil as compared to the statewide average. This is the districts basic support ratio and represents a district's "cost" of operating its schools compared to the statewide average.

Step 2 - Wealth Adjustment Factor. Each district's weighted enrollment is multiplied by the district's basic support ratio to determine a cost adjusted enrollment. Then, the statewide average revenue per pupil in addition to the formula is multiplied by the district's basic support ratio to determine the district's adjusted local per pupil revenue required to equalize wealth. Next, the district's local revenue in addition to the formula is divided by the district's cost adjusted enrollment to determine the local per pupil revenue in addition to the formula. The district's local per pupil revenue in addition to the formula is subtracted from the adjusted local per pupil revenue required to equalize wealth; the result is the district's wealth adjustment factor.

Step 3 - Transportation Allotment. See Section VI. Transportation.

Step 4 - Basic Support Guarantee. The basic support guarantee is determined by subtracting the state wide average transportation allotment per pupil from the statewide average basic pupil level and then multiplying a district's equalized support ratio (Step 1) to obtain the equalized per pupil basic support dollar amount for that district. Then, the per pupil transportation allotment for the district (Step 3) and the wealth adjustment factor (Step 2.) are added to the district's equalized basic support dollars to determine the district's basic state support guarantee per pupil. The basic support averaged $3,812 per pupil; the range was $3,640 to $7,181. Eurake county was "out of formula" and received a minimum $100 per student.

State Share: The state share of a district's basic support is equal to the district's total guaranteed support minus the mandatory local share.

Local Share: The revenues from the 2.25-cent Local School Support Tax (sales tax) plus revenues from a property tax of $ 0.25 per $100 of assessed valuation are used to offset a portion of the state share of the basic state support guarantee. This $0.25 property tax is a portion of the $0.75 per $100 of assessed property valuation that each board of county commissioners is required to levy for the support of public schools within the county. In addition, the revenues from the remaining $0.50 of the $0.75 rate are considered as local revenues in the calculation of state aid. School districts may not levy additional property tax beyond the $0.75 rate per $100 for education except for capital outlay (see Section XV - Capital Outlay and Debt Service).

Weighting Procedures: In calculating basic support guarantees, “pupils” refers to the count of pupils enrolled in grades 1–12 and pupils in ungraded special education classes on the last day of the first school month of the school year, plus 0.6 of the count of pupils enrolled in kindergarten or in programs for handicapped 3- and 4-year-olds on the last day of the first school month of the school year. A general fund appropriation line-item provides funding for adults enrolled part time in courses necessary to receive a high school diploma.

Adjustments for Special Factors: If the pupil count is less than the pupil count obtained for the immediately preceding school year, the larger pupil count is used in computing the basic support for that year.

Aid Distribution Schedule: Nevada uses a quarterly disbursement method; monthly disbursement occurs only when the state controller finds that the state general fund is at a level that is deemed as not sufficient to pay the other appropriations. Typically, disbursements are made in four equal payments; however, if a district experiences a 3.0% increase in enrollment after the second school month, an additional 2.0% of basic support is provided to that district in the fourth quarter allocation. If a district experiences a 6.0% increase in enrollment after the second school month, a 4.0% increase in basic support is provided to that district in the fourth quarter allocation.

VI. TRANSPORTATION

Funding in 1998–1999: $44 million (state and local combined).

Percentage of Total State Aid: N/A.

Description: The basic support guarantee includes an allowance for transportation based on expenditure records of the local school districts. Expenditures for transportation equipment acquisition and replacement for the prior two years are tabulated and divided by two to yield an average annual rate. Expenditures for salaries and operating expenses for the most recent year are added to the average annual rate for equipment acquisition and replacement to give a total amount of transportation expenditures eligible for the support calculation. The total for each district is divided by the enrollment for the most recent year giving the rate of expenditures per-pupil for transportation.

State and Local Shares: Eighty-five percent of this rate of expenditure per-pupil becomes part of the basic support rate for the first year of the biennium, which is increased by a predetermined inflation rate, and then increased again by the same rate for the second year of the biennium. The remaining 15% is the responsibility of the local school district.

Extent of Participation: All 17 School Districts.

VII. SPECIAL EDUCATION

Funding in 1998–1999: $59 million (state and local combined).

Percent of Total State Aid: N/A.

Description: The legislature declares a basic support guarantee amount for each program unit established by law for each school year. In 1998–1999, the value of a unit was $28,248. Program units were designed to cover the teacher personnel costs and were originally based on average teacher salaries. Currently, unit funding covers only a portion of the costs for special education in Nevada. Unit funding is provided in addition to basic support for each special education pupil.

The Nevada Plan recognizes that some pupils are unable to make satisfactory progress in a regular graded program of instruction. When such pupils are identified, local school districts must make provisions as necessary to provide special instructional services for them. Upon establishment and operation of such programs, local school districts are reimbursed on a unit basis for the number of units operating up to the limit authorized by law.

The unit is assigned a monetary value that is reimbursed to the local school district as a result of a final report filed with the State Department of Education indicating the number of units operated during the school year. “A Special Education Program Unit” is defined by law as meaning an organized instructional unit that includes full-time services of licensed personnel providing a program of instruction in accordance with minimum standards prescribed by the State Board of Education.

The number of units established for each local school district is based on the previous year's allocation of units and any additional units are distributed on the basis of need. Unused allocations of special education programs are reallocated to other school districts by the State Department of Education after giving first priority to special education programs with statewide implications.

Beginning in fiscal year 1993–1994, school districts must account separately for all money received and expended for instruction and related services for children with disabilities and the gifted and talented.

<u>Out-of-State Placement.</u> When an appropriate special education program is not available in a disabled pupil's home school district, the school board of the home school district may apply to the State Superintendent of Public instruction for an out-of-district placement. The state pays educational, residential, and transportation costs of pupils with disabilities placed in programs outside of their home school districts. Funding for such placements comes from the state general fund and a portion of the discretionary funds available to the state under P.L. 101-476, Individuals With Disabilities Education Act.

To increase use and stimulate development of in-state facilities for autistic and emotionally disturbed children and those with traumatic brain injuries, the 1991 legislature amended provisions of the law. Specifically the provisions relating to out-of-district placements of children with disabilities and transfers approximately $1 million each year from the Department of Education to the Department of Human Resources. The Department of Human Resources, with the approval and under the supervision of the Superintendent of Public Instruction, provides special education programs and related services to any child suffering from autism, emotional illness, or a traumatic brain injury. The Superintendent of Public Instruction provides services to pupils with other disabilities when an appropriate educational program is not available in the home school district.

VIII. COMPENSATORY EDUCATION

The State of Nevada does not fund a compensatory education program.

IX. GIFTED AND TALENTED EDUCATION

There is no separate, direct state appropriation for gifted and talented education in Nevada; however, some special education program units are used by local school districts for programs for gifted and talented pupils.

X. BILINGUAL EDUCATION

The State of Nevada does not fund bilingual education programs.

XI. EARLY CHILDHOOD EDUCATION

Funding in 1998–1999: $0.5 million.

Percentage of Total State Aid: less than 1%.

State aid of $500,000 annually is provided for early childhood through the Nevada Even Start Program, which follows the same basic premises as the Federal Even Start Program. This Nevada program is in addition to those programs serving special populations as stipulated in the law. Special Education unit funding and general fund revenue are utilized in meeting these needs.

XII. OTHER CATEGORICAL PROGRAMS

Class-Size Reduction Act

Funding in 1998–1999: $ 80.4 million (state and local combined).

Percent of Total State Aid: N/A.

Description: The Class-size Reduction Act of 1989 established a program designed to systematically reduce the pupil-teacher ratios in the state beginning with the primary grades. Funding is provided to maintain pupil-teacher ratios of 16 to one in first and second grades and certain kindergarten classes in schools with a high percentage of “at-risk” pupils.

The state, through general fund appropriations and estate tax revenue, provides funding to cover salaries and fringe benefits of teachers hired to meet the required ratios. Facilities and operating costs are the responsibility of the local school districts. First consideration is to be given to schools and classes with pupils most at risk of failure.

School districts may not receive funds without first filing a plan for class-size reduction with the Department of Education, and these funds must not be used to adjust district-wide salary schedules or to settle or arbitrate disputes or contract negotiations.

The preamble to the law states it is the Legislature's intent that schools achieve a pupil-teacher ratio of no more than 15 pupils per teacher or 30 pupils per two teachers in primary grade classrooms where core curriculum is taught. However, funding has been based on pupil-teacher ratios of 16 to one since 1991–1992. School districts are allowed necessary discretion to reduce class-size in the manner most appropriate to their respective districts and, under existing law, may request from the State Board of Education variances from required ratios for good cause, including a lack of financial support specifically set aside for reducing pupil-teacher ratios.

Extent of Participation: Not reported.

XIII. TEACHER RETIREMENT AND BENEFITS

The Public Employees Retirement System (PERS) is a state-defined benefit pension program. Teacher retirement contributions are totally employer paid in Nevada. In the 1999 fiscal year, local districts paid a total of $191.5 million to the PERS on behalf of its employees. These payments are made from school district general funds. Employer-paid contributions are 17.37% of employees' gross salaries

XIV. TECHNOLOGY

Funding in 1998–1999: $4.4 million (state and local combined).

Percent of Total State Aid: N/A.

Description: Funding for technology is provided for the following: updating library databases and licensing for publication; updating of school software and licenses; funding for satellite down links and bringing all Nevada schools to Level I technology use (i.e., a network capable computer in each classroom or its equivalent in computer laboratory stations).

In addition, $28,7 million was appropriated for education technology on a one-shot basis in 1998–1999.

Extent of Participation: Not reported.

XV. CAPITAL OUTLAY AND DEBT SERVICE

Nevada does not provide funds for financing capital outlay except in certain unique instances (See XXI Special Topics).

Capital outlay needs of local districts may be met from: (a) the sale of bonds, (b) the gradual accumulation of money in a building and sites fund, (c) a "pay-as-you-go" tax levy, and (d) a tax on residential construction in smaller school districts.

Bonds

The issuance of general obligation bonds may occur for specified capital projects and must be approved by a majority vote of the particular county school district. Bonds must be issued within six years from the date of the election authorizing the issue, and the total bonded indebtedness of a county school district must not exceed 15% of the total assessed value of the county. Interest accrued on bond revenue is secured for capital projects and/or debt reduction.

Building and Site Funds

The Board of Trustees of each school district shall establish a fund for capital projects and may accrue money in the fund for stipulated purposes for a period not to exceed 20 years.

Pay-as-you-go/Authority to Levy a Tax

With the approval of the majority of the registered voters of a county, the board of county commissioners in school districts with fewer than 25,000 pupils may levy a tax of not more than $0.75 per $100 assessed valuation. In districts where enrollment is 25,000 pupils or more, the board of county commissioners may levy a tax of not more than $0.50 per $100 assessed valuation

Real property Transfer Tax

In 1997, the legislature authorized counties with a population of more than 400,000 to earmark 60 cents of a real property transfer tax for school district capital projects.

Other

The board of trustees of any school district whose population is less than 35,000 may request that the board of county commissioners impose a tax on residential construction in order to construct, remodel or make additions to school buildings. If the county commissioners approve, they notify the Nevada Tax Commission. Upon approval of the Tax Commission, the county commissioners may impose the tax that must not exceed $1,000 per residential unit.

XVI. STANDARDS/ACCOUNTABILITY MEASURES

Beginning in 1989, the Nevada State Legislature enacted a series of mandates requiring accountability reporting by school districts to the citizens where the school district is located. In 1997, the Nevada State Legislature enacted a major reform effort referred to as the Nevada Education Reform Act (NERA). In doing so, the legislature significantly expanded the accountability reporting requirements along with creating a series of designations related to the academic performance of pupils in particular schools. While creating the designation for underachieving schools, the legislature allocated $3 million in supplemental funds for schools so designated. This action was followed in 1999 with an additional $6.3 million for the biennium. NERA also provided for the development of new and more rigorous academic and performance standards. This was accomplished through the use of a citizens committee designated as the Council to Establish Academic Standards. In an effort to further ensure compliance with the provisions of NERA, the Legislative created the Legislative Bureau of Educational Accountability and Program Evaluation. Finally, NERA authorized the creation of a standing legislative committee, Legislative Committee on Education, and granted the Committee broad powers to monitor conditions of public education.

XVII. REWARDS/SANCTIONS

Non-fiscal rewards, in the form of recognition, and fiscally related sanctions are included in NERA. While all schools are required to file a plan for school improvement, a series of designations related to school performance were enacted with NERA. All schools in the state annually receive a designation ranging from "in need of improvement" to "high achieving." While no fiscal rewards are provided, significant public recognition follows those schools designated as "high achieving." Schools designated as "in need of improvement" are subject to oversight from an outside panel of reviewers during their second and subsequent years of earning that designation. With two consecutive years of the designation of "in need of improvement," the school is placed on academic probation. The oversight panel is authorized to exercise discretion ranging from the provisions included in the school improvement plan to recommending to the Superintendent of Public Instruction the appointment of an administrator to oversee the operation of the school. In addition, the legislature allocated funds to support approved remediation programs for use in schools designed as "in need of improvement." The State has an approved list of research-based remediation programs from which a school designated as "in need of improvement" must select to receive state funds to assist in the implementation of their school improvement plan.

In an effort to attract teachers to schools "in need of improvement," the legislature obligated school districts to buy an additional year of retirement credit for teachers who teach five years in a school designated as "in need of improvement."

XVIII. FUNDING FOR NON-TRADITIONAL PUBLIC SCHOOLS

In 1997, with a revision in 1999, the legislature authorized the creation of public charter schools. To date, three charter schools have begun operation with support limited to the per pupil allocation designated to the county where the charter is located. No start-up or capital funds are provided and the sponsoring public school district is held harmless for the actions of the charter school. Charter schools are granted discretion concerning compliance with certain aspects as the education code, but accountability requirements imposed by NERA apply. The statewide enrollment in publicly sponsored charters currently totals less than 1,000 pupils or about 0.3% of the total state public school population. Several additional charter schools are slated to open in the fall of the 2000–2001 school year.

XIX. STATE AID FOR PRIVATE SCHOOLS

There is no provision for state aid to private schools with the exception of those serving special education pupils for which there are no services available in the public schools or in the state. Aid to parochial schools is specifically prohibited by the Nevada Constitution (Article 11, Section 10).

XX. RECENT/PENDING LITIGATION

No legal challenges are pending consideration by the courts on the topic of school funding.

XXI. SPECIAL TOPICS

Significant actions took place during the 1997 and 1999 sessions of the legislature concerning capital outlay issues. First, during the 1997 session, the legislature authorized districts located in counties with a population over 100,000 to seek authorization from the voters to allow school districts to maintain their present tax rate until June 30, 2008. Thus, producing a continuing source for capital development through the retirement of present debt and the issuance of new debt. While the authorization has produced a net source of revenue approximating $3.5 billion for the Clark County School District (the most rapidly growing district in the state), certain oversight provisions accompanied the authorization. Second, the 1999 session of the legislature departed from the practice of refraining from using state sources to fund capital development projects in school districts. Two rural small enrollment school districts, without sufficient assessed value to support replacement of inadequate capital facilities, were provided an allocation designed to support the construction and rehabilitation of several schools.