

Nevada

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FUNDING PRIORITIES FOR P-12 AND/OR HIGHER EDUCATION¹

The SARS-CoV-2 (COVID-19) pandemic forced Nevada to consider the states of its economy in two FY 2021 special sessions. The 81st biennial Legislative Session (2021) was no different, voting on the two-year budget recommendations proposed by the Governor, and many legislative bills. Governor Steve Sisolak's total proposed expenditures are \$27,069,665,782, an approximately 5.1% increase over the 2021 biennial budget of \$25,752,578,624. The Governor's budget relies heavily on federal investment, anticipating \$5,278,159,281 in FY 2022 and \$5,490,130,427 in FY 2023. This is approximately \$845,955,988 more in Federal funding than the 2021 biennial. The Governor also allocated \$4,910,459,908 to the Nevada Department of Education, and \$2,034,966,718 for the Nevada System of Higher Education (NSHE). The Governor's budget cuts \$187,279,876 in appropriations spending; 2.1%. Among the many priorities, Nevada also seems intent on altering the state's school finance landscape and supporting a new funding formula.

CHANGES TO FUNDING FORMULA FOR P-12 AND/OR HIGHER EDUCATION

In FY 2022 Nevada finalized the major overhaul of its P-12 school finance formula through Senate Bill (SB) 439². In 2019, the legislature passed SB 543³ that created an 11-member school finance formula commission to support the creation and implementation of a new school finance formula. The commission convened on July 15th, 2020, to make school finance formula change recommendations to the Governor and Legislature⁴. In April of 2021, the commission on school funding made final recommendations for the pupil-centered funding plan (PCFP), including any necessary revisions⁵. Some specific changes are guided

1. State of Nevada, "2021-2023 Executive Budget," accessed November 7th, 2021, https://budget.nv.gov/uploadedFiles/budgetnv.gov/content/StateBudget/2022-2023/FY2021-23_ExecutiveBudgetBook_WO.pdf.

2. S.B. 439- Nevada 81st Legislative Session (2021), accessed November 7th, 2021, <https://legiscan.com/NV/text/SB439/2021>.

3. S.B. 543- Nevada 80th Legislative Session (2019), accessed November 7th, 2021, <https://www.leg.state.nv.us/Session/80th2019/Bills/SB/SB543.pdf>.

4. State of Nevada Department of Education, "Commission on School Funding," accessed November 7th, 2021, https://doe.nv.gov/Commission_on_School_Funding/.

5. *Id.*

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by NRS 387.1214⁶: Determination of statewide base per pupil funding, adjusted base per pupil funding and additional weighted funding; appropriation of money in State Education Fund. These include a statewide base per pupil funding amount for each fiscal year of the biennium, \$6,954 for FY 2022 and \$7,090 for FY 2023⁷. There is also weighted funding for:

1. English learner, 0.24;
2. At-risk pupil, 0.03;
3. Gifted and talented pupil, 0.12.

Previously the funding formula known as the Nevada Plan included weights for students with disabilities as well, Tier E of the PCFP removes additional weighted funding and creates a statewide multiplier for the allocation of general funds to special education. Finally, SB 439 removes the small school adjustment and equity size adjustment from the calculation of allocations toward schools.

PRESSING STATE ISSUES AFFECTING P-12 AND/OR HIGHER EDUCATION FUNDING

Aside from the overhaul of the school finance formula, the Legislature added \$502 million to fund the states PCFP, and \$67 million in hold harmless allocations to rural districts⁸. Assembly Bill (AB) 495 allocations \$215 million of Federal American Rescue Plan Act for learning loss. AB 355 allocates funds to various state organizations including \$750,000 to the International Gaming Institute of the University of Nevada at Las Vegas⁹. SB 450, which allows districts to use surplus funds for capital improvement projects, including remodels and necessary facility upgrades¹⁰. Finally, there were a set of higher education bills pertinent to higher education. SB 434 appropriates \$25 million of the Governor's Office of Finance for the construction of the UNLV Medical Education Building¹¹. SB 310 allocates \$400,000 to the NSHE for the NV Grow Program.

EXCLUSIVE TO P - 1 2 : WHAT ARE THE ALTERNATIVES TO TRADITIONAL

6. State of Nevada, "NRS 387.1214," accessed November 7th, 2021, <https://www.leg.state.nv.us/nrs/nrs-387.html#NRS387Sec12445>.

7. Clark County School District, "Session Spotlight," accessed November 7th 2021, <https://ccsd.net/resources/government-affairs/session-spotlight-5-14-21.pdf>; S.B. 458- Nevada 81st Legislative Session (2021), accessed November 7th, 2021, <https://legiscan.com/NV/text/SB458/2021>.

8. Nevada 81st Legislative Session (2019), "Minutes of The Joint Meeting of The Senate Committee on Finance and the Assembly Committee on Ways and Means," accessed November 7th, 2021, <https://www.leg.state.nv.us/Session/81st2021/Minutes/Senate/FIN/Final/1319.pdf>.

9. A.B. 355- Nevada 81st Legislative Session (2021), accessed November 7th, 2021, <https://legiscan.com/NV/text/AB355/2021>.

10. S.B. 450- Nevada 81st Legislative Session (2021), accessed November 7th, 2021, <https://legiscan.com/NV/text/SB450/2021>.

11. S.B. 434- Nevada 81st Legislative Session (2021), accessed November 7th, 2021, <https://legiscan.com/NV/text/SB434/2021>.

PUBLIC SCHOOL OFFERED BY YOUR STATE? WHAT DOES THE TREND IN FUNDING LOOK LIKE FOR THESE ALTERNATIVES?

Nevada Governor Steve Sisolak's budget appropriates \$76,649,121 for the Nevada's State Public Charter School Authority (SPCSA)¹². The SPCSA was created in 2011 and authorizes the state's public charter schools. The SPCSA is also responsible for the oversight and monitoring of the public charter schools of Nevada. In 2015, Nevada also authorized its Nevada Educational Choice Scholarship Program¹³ Education Savings Accounts. The Opportunity Scholarship is a tax credit program that reduces a corporation's modified business tax liability if they make private donations to Scholarship Granting Organizations (SGOs). The SGOs then allocates up to \$8,469 of funding for K-12 private school scholarships to eligible students. Nevada also has Education Savings Accounts established in the 78th Session of the Nevada Legislature (2015) through SB 302, but the program remains dormant. In the 81st legislative session (2021), the Senate attempted to pass SB 306 to revive the program, but the bill ultimately failed.

TOTAL DOLLAR AMOUNT NEVADA'S PER PUPIL EXPENDITURE (EXCLUDING LOCAL AND FEDERAL FUNDING)

\$9,516 (2020)¹⁴

ALLOCATION OF STATE DOLLARS AND PERCENT OF THE STATE BUDGET FOR P-12 AND HE¹⁵

K-12 expenditure budget: \$14,556,971,050; 15.3% of Nevada expenditure budget.

HE expenditure budget: \$2,149,846,719, 2.3% of Nevada expenditure budget.

State public charter school authority expenditure budget: \$174,687,532; 0.18% of Nevada expenditure budget.

The estimated Nevada expenditure budget is approximately \$95,156,707,242

12. State of Nevada, "2021-2023 Executive Budget," accessed November 7th, 2021, https://budget.nv.gov/uploadedFiles/budgetnv.gov/content/StateBudget/2022-2023/FY2021-23_ExecutiveBudgetBook_WO.pdf.

13. Nevada School Choice Coalition, "Nevada Opportunity Scholarship Program," accessed November 7th, 2021, <https://www.nevadaschoolchoice.com/program/nevada-opportunity-scholarship-program/>.

14. "Research and Publications," National Education Association, <https://www.nea.org/research-publications>.

15. "Statewide Expenditure Summary by Function," State of Nevada, accessed November 7th, <http://www.openbudget.nv.gov/OpenGov/ViewBudgetSummary.aep?amountView=Total&budgetVersionId=22&view=Function>.