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STATE OF NEVADA DEPARTMENT OF EDUCATION

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October 14, 2022 Notice of Intent to Act Upon a Regulation

Notice of Hearing for the Adoption of Regulations of the Nevada State Board of Education as proposed in LCB File #R012-22

The Nevada Department of Education will hold a public hearing at 1:10 P.M. on Friday, October 14, 2022 at the following locations: Nevada Department of Education Offices, 700 East Fifth Street, Board Room, Carson City and 2080 East Flamingo Road, Room 114, Las Vegas, Nevada. The purpose of the hearing is to receive comments from all interested persons regarding the amendment of regulations pertaining to Chapter 387 of the Nevada Administrative Code (NAC) pursuant to the Nevada Revised Statues 387.12445.

The following information is provided pursuant to the requirements of Nevada Revised Statute (NRS) 233B.0603:

- **1.** The need and the purpose of the proposed regulations and/or amendments: In accordance with NRS 387.12445, the Nevada Department of Education shall:
 - "...adopt regulations prescribing the maximum amount of money that each school district may deduct for its administrative expenses from the adjusted base per pupil funding received by the school district. When adopting such regulations, the Department may express the maximum amount of money that may be deduced as a percentage of the adjusted base per pupil funding received by the school district."
- **2. Description of the proposed regulation, or the subjects and issues involved:** The purpose of these regulations is to prescribe the maximum amount of money each school district may deduct from its adjusted base per pupil funding for administrative expenses; and provide other matters properly relating thereto.
- **3.** The revised text of the proposed regulation is attached to this notice.
- **4.** Estimated economic effect of the regulation on the business which it is to regulate and on the **public:** There is no economic effect of the regulation on the business that it regulates and no impact on the public.
- **5. Methods used by the agency in determining the impact on a small business:** Small business are not impacted by this regulation.
- 6. The estimated cost to the agency for enforcement of the proposed regulation: No costs.

- 7. Description and citation of duplicative or overlapping regulations of other state or local governmental agencies: There is no duplication or overlap of regulations of state or local government agencies.
- **8.** Is the regulation required by federal law? This regulation is not required pursuant to federal law.
- 9. Does the regulation include provisions more stringent than a federal regulation regarding the same activity? There is no federal law affecting or overlapping the proposed regulations.
- **10.** Does the proposed regulation establish a new fee or increase an existing fee? The proposed regulations do not establish a new fee nor increase an existing fee of the regulating agency.

A copy of all materials relating to the proposed regulation may be obtained at the hearing, on the Nevada Department of Education webpage, by contacting the Department of Education, via email at NVBoardED@doe.nv.gov by telephone at (775)687-9224 or in person at the Nevada Department of Education, 700 E. Fifth Street Carson City, Nevada 89701. Persons wishing to comment upon the proposed action of the Department of Education may provide in-person testimony, submit written comment to the Department of Education via email at NVBoardED@doe.nv.gov or submit their comments, data, views, or arguments in written form to the Nevada Department of Education, 700 E. Fifth Street Carson City, Nevada 89701. Comments may be submitted via email leading up to and for the duration of the hearing, and those submitted via mail must be received by the Department on or before October 13, 2022. A record of all submitted comments will be retained, and the Department of Education will proceed to consider any public comment received.

This notice and the text of the proposed regulation has been sent to all persons on the agencies mailing list for administrative regulations and the State Board of Education, and posted on the Nevada Department of Education's website at https://doe.nv.gov, Nevada's Public Notice site at https://notice.nv.gov, the Nevada State Legislature's webpage at https://leg.state.nv.us, available in the State of Nevada Register of Administrative Regulations pursuant to NRS 233B.0653, and physically posted at the Nevada Department of Education Offices. Copies of this notice will also be emailed and/or mailed to members of the public upon request.

Notice required by NRS 233B.064: Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

PROPOSED REGULATION OF THE

DEPARTMENT OF EDUCATION

LCB File No. R012-22

March 16, 2022

EXPLANATION - Matter in italics is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §§ 1-3, NRS 387.12445.

A REGULATION relating to education; prescribing the maximum amount of money each school district may deduct from its adjusted base per pupil funding for administrative expenses; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Department of Education to adopt regulations prescribing the maximum amount of money that each school district may deduct for its administrative expenses from the adjusted base per pupil funding received by the school district. (NRS 387.12455)

Section 2 of this regulation interprets the term "administrative expenses" to include the salaries and benefits of employees who perform services relating to general administration plus the amount of expenses for central services. Section 3 of this regulation sets forth the maximum amount of money each school district may deduct from its adjusted base per pupil funding for administrative expenses.

- **Section 1.** Chapter 387 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation.
- Sec. 2. As used in NRS 387.12445, the Department will interpret the term "administrative expenses" to include the salaries and benefits of employees who perform services relating to general administration plus the amount of expenses for central services.
- Sec. 3. 1. The maximum amount of money each school district may deduct from its adjusted base per pupil funding for administrative expenses is:
 - (a) For a district with more than 100,000 students, 5 percent;
 - (b) For a district with at least 7,501 but not more than 100,000 students, 7.5 percent;

- (c) For a district with at least 1,001 but not more than 7,500 students, 10 percent;
- (d) For a district with at least 500 but not more than 1,000 students, 15 percent; or
- (e) For a district with less than 500 students, 25 percent.
- 2. Any amount of money accounted for as expenses for general administration, central services, salaries or benefits by the Department must be treated as administrative expenses for the purposes of this section.