

Nevada

Funding Basics

Formula Type

Nevada has a primarily student-based funding formula. It assigns a cost to the education of a student with no special needs or services, called a base amount, and provides increased funding to educate specific categories of students. The categories of students considered in Nevada's funding policy are English-language learners, students from low-income households, students with disabilities, students identified as gifted, students in career and technical education (CTE) programs, and students enrolled in sparse school districts.

Nevada does not expect school districts to contribute to the funding of their public schools. Counties are required to impose a certain level of property taxes and sales taxes for the support of schools, which is distributed through the school funding formula. Districts in Nevada are not permitted to raise and keep additional local revenues, except for capital improvement or school construction.

Supplemental funding for English language learners, students from low-income households, students with disabilities, students identified as gifted, and students in sparse school districts is generated through the application of multipliers to the base amount. CTE programs are funded through program-specific allocations. Following the state's school funding reform passed in 2019 and implemented in 2021, districts continue to receive funding from the state that equals or exceeds the amount they received prior to the reform. Moreover, districts will not receive less funding than they did in the preceding school year unless enrollment declines for a period of two or more years.

Base Amount

Nevada has a base funding amount per student that varies from district to district. For FY2022, the statewide base amount was $6,980 per pupil, but the adjusted base amount ranged from $7,222 to $33,746. For FY2023, the statewide base amount will be $7,074 per pupil, but the adjusted base amount will range from $7,318 to $33,701.

This means that an average student with no special needs or disadvantages would be funded within that range. In order to arrive at each district's base amount, Nevada adjusts the statewide base amount by a factor that accounts for variations in the cost of delivering education from district to district. However, although Nevada's base amount varies from district to district, multipliers are applied to the statewide base amount for each district.

However, districts continue to receive funding from the state that equals or exceeds the amount they received prior to the state's funding reform passed in 2019 and implemented in 2021. Moreover, districts will not receive less funding than they did in the preceding school year unless enrollment declines for a period of two or more years.

Local Revenue

Expected Local Share

Nevada does not expect school districts to contribute revenue to their public schools. Rather, beginning in FY2021-22, counties are required to collect revenues for schools and transfer those revenues to the state for the support of education statewide.

Each county's board of commissioners is required to impose a property tax of $7.50 for every $1,000 of assessed local property wealth for the purposes of funding its schools. The state also expects counties to contribute all receipts from the Local School Support Tax, a sales and use tax of 2.25%, and a gross receipts tax of 0.35%. Both sources of funding are remitted to the State Education Fund and distributed through the funding formula.

Property Tax Floors and Ceilings

Nevada sets both a floor and a ceiling for local property tax rates, as well as a level above which voter approval is required. School districts in Nevada may not directly impose property taxes; property taxes for education are imposed by counties on behalf of county school districts.

County governments must levy and collect a property tax of $7.50 for every $1,000 of assessed property wealth for the purposes of funding the schools within their school districts. All proceeds of this tax are transferred to the State Education Fund. Counties must also levy property taxes sufficient to pay the interest and redemption costs of school district bonds.

In addition, with the approval of a majority of voters in a county referendum, county governments may levy one supplemental tax to fund general capital improvements in schools and a second to fund the construction of new school buildings as required by a rise in enrollment. If a county school district has fewer than 25,000 pupils, these taxes are each limited to $7.50 for every $1,000 of assessed local property wealth. If a district has 25,000 pupils or more, these taxes are limited to a combined $5.00 for every $1,000 of assessed local property wealth.

Other Local Taxes for Education

School districts in Nevada may receive local revenue only from property taxes, except for certain revenues designated for capital projects or debt service and interest income from invested education property tax revenues.

School districts may levy additional property taxes to generate revenue for capital projects (see "Property Tax Floors and Ceilings"). School districts may also retain revenue from a government services tax on motor vehicles and taxes and royalties paid by energy extractive operations for capital projects and debt service.

School districts in Nevada also receive revenue from local property taxes, a sales and use tax for education, franchise taxes on utility and railway companies, revenues from taxes on hotel rooms and other transient lodgings, and revenue from civil forfeitures by metropolitan police. However, these revenues are transferred to the State Education Fund and distributed to districts through the funding formula.

Student Characteristics

Grade Level

Nevada does not differentiate funding based on students' grade levels.

English-Language Learner

Nevada provides increased funding for English-language learners. It does so by applying a multiplier of 1.24 to the base per-pupil amount for these students in FY2022 and a multiplier of 1.23 in FY2023.

Students are identified as English-language learners if they meet the federal definition of an English-language learner. Any student eligible for increased funding in multiple categories (English-language learner, student poverty, special education, gifted) may receive only the increased funding for the category with the highest multiplier for which the student is eligible.

Poverty

Nevada provides increased funding for students from low-income households. It does so by applying a multiplier of 1.03 to the base per-pupil amount for these students in FY2022 and FY2023.

Students are eligible for this supplemental funding if they qualify for free or reduced-priced lunch under the National School Lunch Program or through an alternative measure prescribed by the state board of education. Any student eligible for increased funding in multiple categories (English-language learner, student poverty, special education, gifted) may receive only the increased funding for the category with the highest multiplier for which the student is eligible.

Special Education

Nevada funds special education using a multiple student weights system, providing different levels of funding for different groups of students. Students are assigned to two different categories based on the concentrations of students with disabilities in their districts.

The state applies one multiplier for school districts where fewer than 13% of students are eligible for special education services. For districts where more than 13% of students are eligible for special education, the district receives, for each additional student above that threshold, an amount equal to one-half of the amount it receives for students in special education below that threshold. Funds are appropriated each year to provide increased funding for the first category of students with disabilities (those up to 13% of each district's enrollment). The state appropriated $223.20 million for FY2022 and $228.76 million for FY2023. The state then computes the multiplier for this group using the size of the appropriation, each district's specific base funding amount, and each district's count of students with disabilities. Separately, the state provides funding equal to half of the per-pupil amount generated by this multiplier for students in the second category (those exceeding 13% of their district's enrollment). When there is not enough supplemental funding to cover this amount for all students in the second category, the state reduces the funding proportionally across all school districts.

Any student eligible for increased funding in multiple categories (English-language learner, student poverty, special education, gifted) may receive only the increased funding for the category with the highest multiplier for which the student is eligible. Nevada also distributes some special education funding through specific program-based allocations, including funding for students with high-cost needs and reimbursements for hospitals and residential treatment facilities operating licensed private schools for their patients or residents.

Gifted

Nevada provides increased funding for gifted and talented students. It does so by applying a multiplier of 1.12 to the base per-pupil amount for these students in FY2022 and FY2023.

Gifted students are those whose outstanding academic skills or aptitudes are such that the student cannot progress effectively in a regular school program. Any student eligible for increased funding in multiple categories (English-language learner, student poverty, special education, gifted) may receive only the increased funding for the category with the highest multiplier for which the student is eligible.

Career and Technical Education

Nevada provides increased funding for career and technical education (CTE) programs. It does so through two grant programs, one competitive and one noncompetitive.

The state appropriated $12.54 million in FY2022 to support CTE programs. Of this appropriation, 30% is set aside for competitive grants, while the remainder is designated for noncompetitive grants distributed to districts based on the numbers of CTE students they serve. Competitive grants are awarded by the Nevada Board for Career and Technical Education, taking into account recommendations from industry representatives. Funding from these grants must be used to provide CTE programs that prepare students for high-demand, high-wage occupations in places where those programs would not otherwise exist or be able to serve many students. Noncompetitive grant funds may be used for developing new programs, expanding or improving existing programs, or providing program support.

District Characteristics

Concentrated Poverty

Nevada does not provide increased funding based on the concentration of students from low-income households in a particular district. However, Nevada does provide funding for individual students from low-income households (for more information, see "Poverty").

Sparsity and/or Small Size

Nevada provides increased funding for sparse school districts. It does so by adjusting the per-pupil base amount.

The state department of education applies an attendance area adjustment to the base amount for school districts where the department determines additional funding is necessary for a student to receive a reasonably equal educational opportunity as a student in an area with higher population density.

Charter Funding

Funding for charter schools in Nevada is calculated based on a formula similar to the one used to calculate funding for traditional public schools.

Like traditional public schools, charter schools are funded through a student-based funding formula that considers the characteristics of students they educate.

Charter schools in Nevada receive a share of local tax revenue. Local property tax revenue is transferred to the state for the support of education statewide and distributed through the funding formula.

For a complete list of primary sources, please see the appropriate state page at funded.edbuild.org

