

REC'D & FILED

2016 JAN 11 PM 2:33

SUSAN MERRIWETHER  
CLERK

BY SW DEPUTY

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA  
IN AND FOR CARSON CITY**

**HELLEN QUAN LOPEZ, individually  
and on behalf of her minor child, C.Q.;  
MICHELLE GORELOW, individually  
and on behalf of her minor children,  
A.G. and H.G.; ELECTRA  
SKRYZDLEWSKI, individually and on  
behalf of her minor child, L.M.;  
JENNIFER CARR, individually and on  
behalf of her minor children, W.C.,  
A.C., and E.C.; LINDA JOHNSON,  
individually and on behalf of her minor  
child, K.J.; SARAH and BRIAN  
SOLOMON, individually and on behalf  
of their minor children, D.S. and K.S.,**

**CASE NO: 15 OC 00207 1B  
DEPT.: 2**

**Plaintiffs,**

**vs.**

**ORDER GRANTING MOTION FOR  
PRELIMINARY INJUNCTION**

**DAN SCHWARTZ, IN HIS OFFICIAL  
CAPACITY AS TREASURER OF THE  
STATE OF NEVADA,**

**Defendant.**

\_\_\_\_\_ /

**PROCEDURAL BACKGROUND**

Before the Court is Plaintiffs' Motion for a Preliminary Injunction. Plaintiffs are parents whose children attend Nevada public schools. Plaintiff Parents seek an injunction to stop the State Treasurer from implementing Senate Bill 302 ("SB 302") which authorizes educational savings accounts. Plaintiff Parents alleged SB 302 violates certain sections of Article 11 of the Nevada Constitution. State Treasurer Dan Schwartz

1 opposed the motion. The court authorized the filing of several amicus briefs, and denied  
2 a motion to intervene. The court held a hearing on the motion.

### 4 **ISSUES AND CONCLUSIONS**

5 As a preliminary matter, the court emphasizes that the issues before it do not  
6 include the educational or public policy merits of the education savings account  
7 provisions of SB 302. The educational and public policy issues were debated and voted  
8 upon by the legislature and approved by the governor. Courts have no super-veto power,  
9 based upon public policy grounds, over legislative enactments. Therefore, this court  
10 cannot consider whether the SB 302 provisions for education savings accounts are wise,  
11 workable, or worthwhile.

12 Plaintiff Parents argued SB 302 violates the Nevada Constitution in three ways:

13 First, it violates Article 11, Section 3 and Sections 6.1 and 6.2 because those  
14 sections prohibit the transfer of funds appropriated for the operation of the  
15 public schools to any other use.

16 Second, it violates Article 11, Section 6.2 because it removes from the  
17 public school system a portion of the funds the Legislature has “deemed  
18 sufficient” to maintain and operate the public schools.

19 Third, it violates Article 11, Section 2 because it creates a non-uniform  
20 system of schools, and uses public funds to create the non-uniform system of  
21 schools.

22 Having examined the submissions the parties and the amicus briefs, and having  
23 heard oral argument by the parties, this court concludes Plaintiff Parents have failed to  
24 carry their burden of proof that SB 302 violates Article 11, Sections 2 or 3 of the Nevada  
25 Constitution, but that Plaintiff Parents have carried their burden of proof that SB 302  
26 violates Article 11, Sections 6.1 and 6.2, and that irreparable harm will result if an  
27 injunction is not entered. Therefore an injunction will issue to enjoin Treasurer  
28 Schwartz from implementing SB 302.

1 **FINDINGS OF FACT**

2

3 **Public School Funding**

4 The Nevada Constitution requires the legislature to support and maintain public  
5 schools by direct legislative appropriation from the general fund, and to provide the  
6 money the legislature deems to be sufficient, when combined with the local money, to  
7 fund the public schools for the next biennium. To fulfill its constitutional obligation to  
8 fund education, the legislature created the Nevada Plan, statutes which establish the  
9 process by which the legislature determines the biennial funding for education. Under  
10 the Nevada Plan the legislature establishes basic support guarantees for all school  
11 districts.

12 The basic support guarantee is the amount of money each school district is  
13 guaranteed to fund its operations. The amount for each school district is determined by  
14 the number of pupils in that school district. After the legislature determines how much  
15 money each local school district can contribute, the legislature makes up the difference  
16 between the district's contribution and the amount of the basic support guarantee.

17 Under NRS 387.1233(3), the so-called "hold harmless" provision, a school district  
18 must be funded based on the prior year's enrollment figure if the school district  
19 experiences a reduction in enrollment of five percent or more.

20 Funds appropriated by the legislature from the general fund sufficient to satisfy  
21 each district's basic support guarantee are deposited into the State Distributive School  
22 Account ("DSA"), which is an account within the state general fund.

23 The DSA, in addition to receiving such appropriations from the general fund, also  
24 receives money from other sources, including the Permanent School Fund ("PSF"). The  
25 legislature created the PSF to implement Article 11, Section 3 of the Nevada  
26 Constitution, which provides that specified property, including lands granted by  
27 Congress to Nevada for educational purposes and the proceeds derived from these  
28 sources, are pledged for educational purposes and the money therefrom must not be

1 transferred to other funds for other uses. Section 3 money is kept in the PSF, and  
2 interest on Section 3 money is transferred to the DSA.

3 The interest on the PSF constitutes a small portion of the funds in the DSA. In  
4 2014, of the \$1.4 billion in the DSA that came from the State Government, \$1.1 billion,  
5 or 78 percent, came from the general fund, and \$1.6 million, or 0.14%, came from the  
6 PSF.<sup>1</sup>

7 In June 2015, the legislature enacted Senate Bill 515 (“SB 515”) to ensure  
8 sufficient funding for K-12 public education for the 2015-2017 biennium. The legislature  
9 established an estimated weighted average basic support guarantee of \$5,710 per pupil  
10 for FY 2015-16 and \$5,774 per pupil for FY 2016-17.<sup>2</sup> The legislature appropriated \$1.1  
11 billion from the general fund for the DSA for FY 2015-16 and more than \$933 million for  
12 FY 2016-17, for a total of more than \$2 billion for the biennium.

### 14 **Senate Bill 302**

15 As part of the education reform measures enacted in 2015, the legislature passed  
16 and the governor signed SB 302 which authorized the State Treasurer to use public  
17 school funds to create private accounts called education saving accounts (“ESAs”). The  
18 money in these accounts may only be used to pay for non-public education expenses,  
19 including but not limited to private school tuition, tutoring, home-based education  
20 curricula, and transportation.

21 Under SB 302 the State Treasurer may enter into written agreements with a  
22 parent of a school aged child who has been enrolled in a Nevada public school for not  
23 less than 100 consecutive school days. If a written agreement is entered into, the parent  
24 must establish an ESA on behalf of the child, and the treasurer must deposit the grant  
25 money into the ESA. For a child with a disability, or a child who lives in a low income

---

27 <sup>1</sup>See [http://www.doe.nv.gov/uploadedFiles/ndedoenvgov/content/Legislative/  
28 DSA-SummaryForBiennium.pdf](http://www.doe.nv.gov/uploadedFiles/ndedoenvgov/content/Legislative/DSA-SummaryForBiennium.pdf).

<sup>2</sup>Id. Section 7.

1 household, the amount of the grant is 100% of the statewide average basic support per  
2 pupil; for all other children the amount of the grant is 90% of the statewide average  
3 basic support per pupil. For the 2015-16 school year the grant amounts will be \$5,710  
4 per disabled or low income pupil, and \$5,139 for all other pupils. Funds deposited into  
5 ESAs are subtracted from the legislative appropriation to fund the school district in  
6 which the child who is receiving the ESA grant resides.

7 Under SB 302 general fund money appropriated to fund the operation of the  
8 public schools will be used to fund education savings accounts.

9 SB 302 does not limit the number of ESAs that can be established, cap the  
10 amount of public school funding that can be transferred to ESAs, or impose any  
11 household income limitations on eligibility.

## 12 PRINCIPLES OF LAW

### 13 **Judicial Deference**

14 Judicial deference to duly enacted legislation is derived from three “first  
15 principles” of state constitutional jurisprudence.<sup>3</sup>

16 First, all political power originates with the people.<sup>4</sup>

17 Second, unlike the Constitution of the United States which granted specific  
18 powers to the federal government and retained all other powers in the people, the  
19 Nevada Constitution granted all of the people’s political power to the government of  
20 Nevada except as limited in the Nevada Constitution.<sup>5</sup> The Nevada government consists  
21 of three branches, the legislative, executive, and judicial. The public officials the people  
22 elect to the constitutional offices in each branch exercise all of the people’s political  
23

---

24  
25 <sup>3</sup>*Gibson v. Mason*, 5 Nev. 283, 291-99, 1869 Nev. LEXIS 46 (1869); *King v.*  
26 *Board of Regents*, 65 Nev. 533, 200 P.2d 221 (1948). See *Bush v. Holmes*, 919  
27 So.2d 392, 414 (FL 2006) Bell, J. Dissent.

28 <sup>4</sup>*Gibson* at 291.

<sup>5</sup>*Id.*

1 power except for those powers expressly denied by the Nevada Constitution.<sup>6</sup> Each  
2 branch is endowed with and confined to the execution of powers peculiar to itself, and  
3 each branch is supreme within its respective sphere.<sup>7</sup> Thus, the legislature is supreme in  
4 its field of making the law so long as it does not contravene some express or necessarily  
5 implied limitation appearing in the constitution itself.<sup>8</sup> The people’s grant of powers  
6 upon the legislature was general in terms with specified restrictions.<sup>9</sup> The legislature has  
7 general legislative or policy-making power over such issues as the education of Nevada’s  
8 children except as those powers are specifically limited by an express or necessarily  
9 implied provision in the Nevada Constitution or the U.S. Constitution.<sup>10</sup>

10 Third, because general legislative or policy-making power is vested in the  
11 legislature, the power of judicial review over legislative enactments is strictly limited.  
12 “Statutes are presumed to be valid, and the challenger bears the burden of showing that  
13 a statute is unconstitutional.”<sup>11</sup> “When making a facial challenge to a statute, the  
14 challenger generally bears the burden of demonstrating that there is no set of  
15 circumstances under which the statute would be valid.”<sup>12</sup> “In case of doubt, every  
16 possible presumption will be made in favor of the constitutionality of a statute, and  
17 courts will interfere only when the Constitution is clearly violated.”<sup>13</sup> “Further, the

---

18  
19 <sup>6</sup>*Id.* at 291-92.

20 <sup>7</sup>*Id.* at 292.

21 <sup>8</sup>*Gibson* at 292; *King* at 542.

22 <sup>9</sup>*Gibson* at 292.

23 <sup>10</sup>*King* at 542.

24 <sup>11</sup>*Busefink v. State*, 128 Nev. A.O. 49, 286 P.3d 599, 602,(2012), citing *Flamingo*  
25 *Paradise Gaming v. Att’y General*, 125 Nev. 502, 509, 217 P.3d 546, 551 (2009)  
(quoting *Silvar v. Dist. Ct.*, 122 Nev. 289, 292, 129 P.3d 682, 684 (2006)).

26 <sup>12</sup>*Deja Vu Showgirls of Las Vegas, LLC v. Nev. Dep’t of Taxation*, 130 Nev. A.O.  
27 73, 334 P.3d 392, 398 (2014).

28 <sup>13</sup>*List v. Whisler*, 99 Nev. 133, 137-138, 660 P.2d 104, 106 (1983), citing *City of*  
*Reno v. County of Washoe*, 94 Nev. 327, 333-334, 580 P.2d 460 (1978);

1 presumption of constitutional validity places upon those attacking a statute the burden  
2 of making a clear showing that the statute is unconstitutional.”<sup>14</sup> The Nevada Supreme  
3 Court has “concede[d] the elasticity of the [Nevada] constitution, as a living thing, to be  
4 interpreted in the light of new and changing conditions,” and that the Supreme Court  
5 “may not condemn legislation simply because the object or purpose is new (no matter  
6 how astonishing or revolutionary) so long as a constitutional limitation is not  
7 violated....”<sup>15</sup>

### 9 **Preliminary Injunction**

10 A preliminary injunction may issue “upon a showing that the party seeking it  
11 enjoys a reasonable probability of success on the merits and that the defendant’s  
12 conduct, if allowed to continue, will result in irreparable harm for which compensatory  
13 damage is an inadequate remedy.”

### 15 **ANALYSIS**

16 Plaintiff Parents have made a facial challenge to SB 302. Using the above  
17 principles of law the court must decide whether Plaintiff Parents have made a clear  
18 showing that SB 302 violates one or more specified sections of Article 11 of the Nevada  
19 Constitution, and that the plaintiffs will suffer irreparable harm.

---

24 *Mengelkamp v. List*, 88 Nev. 542, 545, 501 P.2d 1032 (1972); *State of Nevada v.*  
25 *Irwin*, 5 Nev. 111 (1869).

26 <sup>14</sup>*List v. Whisler* at 138, citing *Ottenheimer v. Real Estate Division*, 97 Nev. 314,  
315-316, 629 P.2d 1203 (1981); *Damus v. County of Clark*, 93 Nev. 512, 516, 569  
27 P.2d 933 (1977); *Koscot Interplanetary, Inc. v. Draney*, 90 Nev. 450, 456, 530  
28 P.2d 108 (1974).

<sup>15</sup>*King* at 543.

1 **Reasonable Probability of Success on the Merits**

2  
3 *Plaintiff Parents have not clearly shown that SB 302 violates Article 11, Section 3.*

4  
5 Plaintiff Parents pointed out that Article 11, Section 3 provides that funds from  
6 sources specified in Section 3 are “pledged for educational purposes and the money  
7 therefrom must not be transferred to other funds for other uses.” They cited *State ex rel.*  
8 *Keith v. Westerfield*<sup>16</sup> for the proposition that funds appropriated for the public schools  
9 under Article 11 can only be used for the support of the public schools and no portion of  
10 those funds can be used for non-public school expenditures “without disregarding the  
11 mandates of the constitution.”<sup>17</sup> Plaintiff Parents argued that because SB 302, Section  
12 16.1 directs the State Treasurer to transfer into ESAs the basic support guarantee per-  
13 pupil funding appropriated by the legislature for the operation of the school district in  
14 which the ESA-eligible child resides, SB 302, Section 16.1 violates Article 11, Section 3.

15 The Treasurer countered that SB 302 does not mandate the use of Section 3  
16 money for the ESA program, and the Distributive School Account has sufficient money  
17 to fund the ESA program without using Section 3 money. The Treasurer argued that  
18 based upon these facts the Plaintiff Parents have not met their burden of proof.

19 The court concludes the Treasurer’s argument is correct. Because SB 302 does  
20 not require the use of Section 3 money for the ESA program, the ESA program can be  
21 funded without Section 3 money, and therefore Plaintiff Parents have not met their  
22 burden of clearly proving that there is no set of circumstances under which the statute  
23 would be valid, and therefore Plaintiff Parents have failed to show a reasonable  
24 likelihood of success on the merits on the Article 11, Section 3 issue.

25 The Treasurer also argued that the ESA program was created for and serves  
26 educational purposes. The court concludes this argument lacks merit because the

27 \_\_\_\_\_  
28 <sup>16</sup>23 Nev. 468 (1897).

<sup>17</sup>*Id.* at 121.



1 Nevada Supreme Court held in *State ex rel. Keith v. Westerfield* that the legislature is  
2 prohibited from using Article 11 Section 3 funds for any purpose except that immediately  
3 connected with the public school system.

4 The court concludes the other arguments made by the Treasure on the Article 11,  
5 Section 3 issue also lack merit.

6  
7 *Plaintiff Parents have clearly shown that SB 302 violates Article 11, Sections 6.1 and*  
8 *6.2.*

9 Plaintiff Parents argued SB 302, Section 16(1) violates Article 11, Sections 6.1 and  
10 6.2 because general funds appropriated to fund the operation of the public schools must  
11 only be used to fund the operation of the public schools, but under SB 302 some amount  
12 of general funds appropriated to fund the operation of the public schools will be diverted  
13 to fund education saving accounts.

14 Under SB 302 general fund money appropriated to fund the operation of the  
15 public schools will be used to fund education savings accounts. The legislature  
16 recognized that general fund money appropriated to fund the operation of public schools  
17 would be used to fund education savings accounts. This is evidenced by the legislature's  
18 amendment of NRS 387.045 which provides:

- 19 1. No portion of the public school funds or of the money specially  
20 appropriated for the purpose of public schools shall be devoted to any  
21 other object or purpose.  
22 2. No portion of the public school funds shall in any way be segregated,  
divided or set apart for the use or benefit of any sectarian or secular society  
or association.

23 The legislature amended that statute to make an exception so funds appropriated for  
24 public schools can be used to pay the education savings account grants established by SB  
25 302.

26 Sections 6.1 and 6.2 require the legislature to support public schools by direct  
27 legislative appropriation from the general fund before any other appropriation is  
28 enacted. Those sections do not expressly say that the general funds appropriated to fund

1 the operation of the public schools must only be used to fund the operation of the public  
2 schools. Sections 6.1 and 6.2 do however necessarily imply that the legislature must use  
3 the general funds appropriated to fund the operation of the public schools only to fund  
4 the operation of the public schools.

5 Sections 6.1 and 6.2 mandate that the legislature make appropriations to fund the  
6 operation of the public schools. An “appropriation” is “the act of appropriating to ... a  
7 particular use;” or “something that has been appropriated; *specif*: a sum of money set  
8 aside or allotted by official or formal action for a specific use (as from public revenue by  
9 a legislative body that stipulates the amount, manner, and purpose of items of  
10 expenditure)...”<sup>18</sup> To “appropriate” means “to set apart for or assign to a particular  
11 purpose or use in exclusion of all others.”<sup>19</sup> Therefore, Sections 6.1 and 6.2 require the  
12 legislature to set apart or assign money to be used to fund the operation of the public  
13 schools, to the exclusion of all other purposes. Because some amount of general funds  
14 appropriated to fund the operation of the public schools will be diverted to fund  
15 education saving accounts under SB 302, that statute violates Sections 6.1 and 6.2 of  
16 Article 11.

17 Plaintiff Parents have met their burden of clearly proving that there is no set of  
18 circumstances under which the statute would be valid, and therefore Plaintiff Parents  
19 have shown a reasonable likelihood of success on the merits on the Article 11, Sections  
20 6.1 and 6.2 issue.

21  
22 *Plaintiff Parents have clearly shown that SB 302 violates Article 11, Section 6.2.*

23 Plaintiff Parents argued SB 302 violates Article 11, Section 6.2 because: “The  
24 direct legislative appropriation can only be used ‘to fund the operation of the public  
25

26  
27 \_\_\_\_\_  
28 <sup>18</sup>Webster’s Third New International Dictionary 106 (2002).

<sup>19</sup>Id.

1 schools..., ”<sup>20</sup> but SB 302 diverts funds from the DSA thereby reducing the amount  
2 deemed sufficient by the legislature to fund public education.<sup>21</sup>

3 The Treasurer argued the legislature complied with Section 6.2 when it passed SB  
4 515 which guarantees a minimum fixed amount of funding through the hold harmless  
5 guarantee and a minimum per-pupil amount of funding with no upper limit, i.e., the  
6 per-pupil basic support guarantee. The Treasurer pointed out that the legislature passed  
7 SB 515 just three days after it passed SB 302, and that “when the legislature enacts a  
8 statute, [the Nevada Supreme Court] presumes that it does so ‘with full knowledge of  
9 existing statutes relating to the same subject.’”<sup>22</sup>

10 The court concludes Plaintiff Parents’ argument is correct. Under Sections 6.1  
11 and 6.2 the legislature must appropriate from the general fund an amount for the  
12 operation of the public schools. The legislature appears to have appropriated money  
13 from the general fund into one account to fund the operation of the public schools and  
14 to fund ESAs. Because Section 6.2 requires the legislature to appropriate money to fund  
15 the operation of the public schools, it is necessarily implied that the money appropriated  
16 to fund the operation of the public schools will be used to fund the operation of the  
17 public schools and not for other purposes. SB 302’s diversion of funds from the Section  
18 6 direct legislative appropriation from the general fund to fund the operation of the  
19 public schools reduces the amount deemed sufficient by the legislature to fund public  
20 education and therefore violates Article 11, Section 6.2.

21 Plaintiff Parents have met their burden of clearly proving that there is no set of  
22 circumstances under which SB 302 would be valid, and therefore Plaintiff Parents have  
23

---

24 <sup>20</sup>Pls.’ Mot. For Prelim. Inj. p. 11.

25 <sup>21</sup>Pls.’ Reply on Its Mot. For Prelim. Inj. p. 1.

26 <sup>22</sup>*Division of Ins. v. State Farm Mut. Auto. Ins. Co.*, 116 Nev. 290, 295, 995 P.2d  
27 482, 486 (2000) citing *City of Boulder v. General Sales Drivers*, 101 Nev. 117,  
28 118-19, 694 P.2d 498, 500 (1985).

1 shown a reasonable likelihood of success on the merits on the Article 11, Sections 6.2  
2 issue.

3  
4 *SB 302 does not create a non-uniform system of schools, or use public funds to create a*  
5 *system of education other than the type mandated in Article 11 Section 2.*

6 Article 11 Section 2 requires the legislature establish and maintain a “uniform  
7 system of common schools.” Plaintiff Parents argued the Legislature has enacted an  
8 extensive framework of requirements to ensure the public schools are open to all  
9 children and meet performance and accountability standards. They argued SB 302  
10 allows public school funds to pay for private schools and other entities that are not  
11 subject to the requirements applied to public schools, are unregulated, and not uniform.  
12 For example, they argue, the private schools, online programs and parents receiving  
13 public school funds under SB 302 do not have to use the state adopted curriculum  
14 taught in public schools; meet public school teaching requirements; comply with other  
15 educational standards and accountability requirements established for public schools;  
16 and they do not have to accept all students so they may discriminate based on a  
17 student’s religion or lack thereof, academic achievement, English language learner  
18 status, disability, homelessness or transiency, gender, gender identity and sexual  
19 orientation.

20 Plaintiffs also alleged that in mandating the establishment of a public school  
21 system, the Nevada Constitution has, in the same breath, forbidden the Legislature from  
22 establishing a separate, publicly-funded alternative to Nevada’s uniform system of  
23 public schools. They cited *State v. Javier C.*<sup>23</sup> for the proposition that “Nevada follows  
24 the maxim ‘*expressio unius est exclusio alterius*,’ the expression of one thing is the  
25 exclusion of another”; and *King v. Bd. of Regents of Univ. of Nev.*<sup>24</sup> for the proposition  
26 that “[t]his rule applies as forcibly to the construction of written Constitutions as other

27  
28 <sup>23</sup>128 Nev. A.O. 50, 289 P.3d 1194, 1197 (2012).

<sup>24</sup>65 Nev. 533, 556, 200 P.2d 221 (1948).

1 instruments.” Plaintiff Parents argued that under this principle, the legislature may not  
2 enact statutes that achieve constitutional goals by means different from those explicitly  
3 provided for in the Constitution. The Nevada Supreme Court held that “[e]very positive  
4 direction” in the Nevada Constitution “contains an implication against anything  
5 contrary to it which would frustrate or disappoint the purpose of that provision.”<sup>25</sup>

6 Plaintiff Parents have failed to show that the ESA program is contrary to or would  
7 frustrate or disappoint the Article 11, Section 2 mandate that the legislature provide a  
8 uniform system of common schools. SB 302 does not do away with public schools.  
9 Therefore the *expressio unius est exclusio alterius* maxim does not prohibit the  
10 legislature from providing students with options not available in the public schools.

11 Article 11, Section 1 requires the legislature to encourage by all suitable means the  
12 promotion of intellectual, literary, scientific, mining, mechanical, agricultural, and  
13 moral improvements. Plaintiff Parents’ argument would limit the legislature and stunt  
14 the “encourage by all suitable means” provision of section 2.

15 The court concludes that Plaintiff Parents have failed to show that Article 11,  
16 Section 2 prohibits the legislature from enacting SB 302. Therefore, Plaintiff Parents  
17 have failed to show a likelihood of success on the merits on this issue.

### 18 19 **Irreparable Harm**

20 Plaintiff Parents argued the irreparable injury element for a preliminary  
21 injunction is met because SB 302 violates the Nevada Constitution, and cited several  
22 cases in support of their argument.<sup>26</sup>

23 The Treasurer argued the court must weigh the potential hardship to the relative  
24 parties and others, and the public interest, and cited cases in support of this proposition.

25  
26 <sup>25</sup>*Galloway v. Truesdell*, 83 Nev. 13, 26, 422 P.2d 237, 246 (1967) (citation  
omitted).

27  
28 <sup>26</sup>*City of Sparks v. Sparks Mun. Court*, 129 Nev. A.O. 38, 302 P.3d 1118, 1124  
v. (2013); *Monterey Mech. Co. v. Wilson*, 125 F.3d 702, 715 (9<sup>th</sup> Cir. 1997); *Eaves*  
*Bd. Of Clark Cnty Comm’rs*, 96 Nev. 921, 924-25, 620 P.2d 1248 (1980).

1         The court concludes that the diversion of any funds in violation of Article 11,  
2 Section 6 will cause irreparable harm to students in Nevada. The court concludes  
3 Plaintiff Parents have demonstrated irreparable harm and that on balance the potential  
4 hardship to Plaintiff Parents' children outweighs the interests of the Treasurer and  
5 others.

6  
7  
8   **CONCLUSION**

9         Having examined the submissions of the parties and the amicus briefs, and  
10 having heard oral argument by the parties, this court concludes Plaintiff Parents have  
11 failed to carry their burden of proof that SB 302 violates Article 11, Sections 2 or 3 of the  
12 Nevada Constitution, but that Plaintiff Parents have carried their burden of proof that  
13 SB 302 violates Article 11, Sections 6.1 and 6.2 and that irreparable harm will result if an  
injunction is not entered.

14         //////

15         //////

16         //////

17         //////

18         //////

19         //////

20         //////

21         //////

22         //////

23         //////

24         //////

25         //////

26         //////

27         //////

28         //////

1  
2  
3 **ORDER**

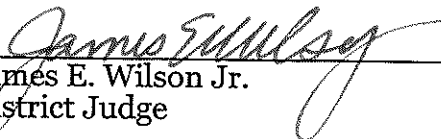
4 **IT IS ORDERED:**

5 Plaintiff Parents' Motion for Preliminary Injunction is granted.

6 State Treasurer Dan Schwartz will be preliminarily enjoined from implementing  
7 the provisions of SB 302.

8 The parties confer and by January 18, 2016 arrange with the court's judicial  
9 assistant to set a hearing on the issue of security and to set the trial on the merits. The  
10 parties may appear by telephone if no evidence will be offered at the hearing on the issue  
11 of security.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
January 11, 2016.

  
James E. Wilson Jr.  
District Judge

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**CERTIFICATE OF MAILING**

Pursuant to NRCP 5(b), I certify that I am an employee of the First Judicial District Court, and I certify that on January 11, 2016, I deposited for mailing at Carson City, Nevada, and emailed, a true and correct copy of the foregoing Order and addressed to the following:

Don Springmeyer, Esq.  
Justin Jones, Esq.  
Bradley Schragger, Esq.  
Wolf, Rifkin, Shapiro, Schulman &  
Rabkin LLP  
3556 E. Russell Road, Second Floor  
Las Vegas, NV 89120  
Dspringmeyer@wrslawyers.com

Tamerlin Godley, Esq.  
Thomas Clancy, Esq.  
Laura Mathe, Esq.  
Samuel Boyd, Esq.  
Munger, Tolles & Olson, LLP  
355 S. Grand Avenue, Thirty-fifth floor  
Los Angeles. CA 90071

David Sciarra, Esq.  
Amanda Morgan, Esq.  
Education Law Center  
60 Park Place, Ste 300  
Newark NJ 07102

Francis Flaherty, Esq.  
Casey Gillham, Esq.  
2805 Mountain Street  
Carson City, NV 89703

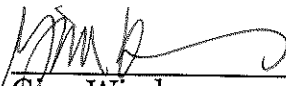
Robert L. Eisenberg, Esq.  
Lemons Grundy & Eisenberg  
6005 Plumas Street, Third Floor  
Reno, NV 89519

Adam Laxalt, Esq.  
Lawrence VanDyke, Esq.  
Joseph Tartakovsky, Esq.  
Ketan Bhirud, Esq.  
Office of the Attorney General  
100 N. Carson Street  
Carson City, NV 89701  
LvanDyke@ag.nv.gov

Jeffrey Barr, Esq.  
Ashcraft & Barr, LLP  
2300 W. Sahara Avenue, Ste 800  
Las Vegas, NV 89102

Eric Rassbach, Esq.  
Lori Windham, Esq.  
Diana Verm, Esq.  
1200 New Hampshire Ave, NW, Ste 700  
Washington DC 20036

John Sande, Esq.  
Brian Morris, Esq.  
Sande Law Group  
6077 S. Fort Apache Rd, Ste 130  
Las Vegas, NV 89148

  
\_\_\_\_\_  
Gina Winder  
Judicial Assistant