

ASSEMBLY BILL NO. 613—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF UNIVERSITY AND COMMUNITY COLLEGE
SYSTEM OF NEVADA)

MARCH 26, 2001

Referred to Committee on Ways and Means

SUMMARY—Makes various changes relating to educational personnel. (BDR 34-434)

FISCAL NOTE: Effect on Local Government: No.
 Effect on the State: Contains Appropriation not included in Executive Budget.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to education; authorizing the board of regents of the University of Nevada to administer a program of loans for students who are enrolled in teaching programs; providing for the waiver of those loans by the board of regents under certain circumstances; requiring certain transfers of money from the fund for school improvement; making an appropriation to reimburse certain costs incurred by licensed teachers in obtaining endorsements in certain fields of specialization; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 396 of NRS is hereby amended by adding thereto
2 the provisions set forth as sections 2 to 9, inclusive, of this act.
3 **Sec. 2. 1. *The board of regents may administer, directly or through***
4 ***a designated officer or employee of the system, a program to provide***
5 ***loans for registration fees, laboratory fees and expenses, textbooks and***
6 ***course materials, and living expenses to students who are enrolled in***
7 ***programs of the system that provide courses of study and training for the***
8 ***education of teachers.***
9 **2. *Each student to whom such a loan is made must:***
10 ***(a) Have been a bona fide resident of this state for at least 6 months***
11 ***before his matriculation in the system;***
12 ***(b) At the time the loan is made, be enrolled in a program of the***
13 ***system to become a licensed teacher;***
14 ***(c) Fulfill all requirements for classification as a full-time student***
15 ***showing progression towards completion of the program; and***



- 1 (d) Maintain at least a 2.0 grade-point average in each class and at
2 least a 2.75 overall grade-point average, on a 4.0 grading scale.
- 3 3. Each such loan must be made upon the following terms:
- 4 (a) All loans must bear interest at 8 percent per annum beginning on
5 the date when the student receives the loan.
- 6 (b) Each student who receives a loan shall repay the loan with interest
7 after the termination of his education for which the loan is made unless
8 the amount owed is waived pursuant to section 4 of this act. The loan
9 must be repaid in monthly installments over the period allowed with the
10 first installment due 1 year after the date of the termination of his
11 education for which the loan is made. The amounts of the installments
12 must not be less than \$50 and may be calculated to allow a smaller
13 payment at the beginning of the period for repayment, with each
14 succeeding payment gradually increasing so that the total amount due
15 will be paid within the period of repayment. The maximum period for
16 repayment of the loans must be:
- 17 (1) Five years for loans that total less than \$10,000.
- 18 (2) Eight years for loans that total \$10,000 or more, but less than
19 \$20,000.
- 20 (3) Ten years for loans that total \$20,000 or more.
- 21 4. A delinquency charge may be assessed on an installment that is
22 delinquent 10 days or more in the amount of 8 percent of the installment
23 or \$4, whichever is greater, but not more than \$15.
- 24 5. If a person is delinquent in repayment, the reasonable costs of
25 collection and an attorney's fee may be recovered from the person.
- 26 6. As used in this section, "bona fide resident" has the meaning
27 ascribed to it in NRS 396.540.
- 28 **Sec. 3.** 1. The loans made pursuant to sections 2 to 9, inclusive, of
29 this act must not exceed the following amounts per student per semester.
30 If the student is enrolled in a program of:
- 31 (a) A community college, \$1,700.
- 32 (b) A university, \$2,005.
- 33 2. Money loaned pursuant to sections 2 to 9, inclusive, of this act
34 must be allocated among the campuses of the system in amounts that will
35 allow the same percentage of eligible students from each campus who are
36 enrolled in programs that provide courses of study and training for the
37 education of teachers to receive loans.
- 38 **Sec. 4.** 1. Except as otherwise provided in this section, a student
39 who receives a loan pursuant to sections 2 to 9, inclusive, of this act shall
40 repay the loan and accrued interest in full pursuant to the terms of the
41 loan.
- 42 2. If a recipient of a loan desires to have the total amount of his loan
43 waived pursuant to this section, the recipient shall file a statement of
44 intent with the board of regents indicating that the recipient intends to:
- 45 (a) Obtain a license to teach issued pursuant to chapter 391 of NRS;
46 and
- 47 (b) Teach full time for at least:
- 48 (1) Three consecutive school years in any public school where a
49 majority of the pupils enrolled in the school are pupils at risk; or



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- 1 (2) *Five consecutive school years in any other public school in this*
2 *state.*
3 *The recipient shall submit verification at least once every 6 months to the*
4 *board of regents in a format prescribed by the board of regents indicating*
5 *that the recipient has maintained his status as a full-time licensed*
6 *teacher in a public school in this state.*
7 3. *Upon receipt of such a statement of intent, the board of regents*
8 *shall defer the payment of the loan until the recipient of the loan has:*
9 (a) *Taught full time as a licensed teacher for:*
10 (1) *Three consecutive school years in any public school where a*
11 *majority of the pupils enrolled in the school are pupils at risk, regardless*
12 *of whether he teaches at the same school for all 3 years; or*
13 (2) *Five consecutive school years in any other public school in this*
14 *state, regardless of whether he teaches at the same school for all 5 years;*
15 *or*
16 (b) *Left his employment, voluntarily or otherwise, as a full-time*
17 *licensed teacher in a public school in this state.*
18 4. *If a recipient of a loan who filed a statement of intent pursuant to*
19 *subsection 2 satisfies the requirements of paragraph (a) of subsection 3,*
20 *the recipient may apply to the board of regents to request a waiver of the*
21 *loan and interest that must be repaid. The board of regents shall waive*
22 *the total amount owed by the recipient upon receipt of credible evidence*
23 *that the recipient has satisfied the requirements of paragraph (a) of*
24 *subsection 3.*
25 5. *If a recipient of a loan who filed a statement of intent pursuant to*
26 *subsection 2 leaves his employment, voluntarily or otherwise, as a full-*
27 *time licensed teacher in a public school in this state, he shall repay the*
28 *loan and accrued interest in full pursuant to the terms of the loan.*
29 6. *The board of regents may adopt:*
30 (a) *Regulations that extend the time for completing the qualified*
31 *teaching service beyond 3 or 5 years, as applicable, for persons who are*
32 *granted extensions because of hardship; and*
33 (b) *Such other regulations as are necessary to carry out the provisions*
34 *of sections 2 to 9, inclusive, of this act.*
35 7. *The board of regents shall, in cooperation with the boards of*
36 *trustees of school districts in this state:*
37 (a) *Identify, on an annual basis, the public schools within this state*
38 *where a majority of the pupils enrolled are pupils at risk.*
39 (b) *Recruit pupils who are enrolled in high schools in this state into*
40 *the program to provide loans to students pursuant to sections 2 to 9,*
41 *inclusive, of this act.*
42 8. *As used in this section, "pupil at risk" has the meaning ascribed to*
43 *it in NRS 386.500.*
44 **Sec. 5.** *The board of regents or its designee may require:*
45 1. *A student to acquire, as security for a student loan, insurance on*
46 *his life and on his health or against his disability, or both.*
47 2. *That a financially responsible person agree to be jointly liable with*
48 *the recipient of the loan for the repayment of the loan.*



- 1 **Sec. 6.** *The board of regents or its designee may require, upon notice*
2 *to a recipient of a loan, that he repay the balance and any unpaid interest*
3 *on the loan immediately if:*
4 1. *An installment is not paid within 30 days after it is due;*
5 2. *The recipient fails to notify the board of regents or its designee,*
6 *within 30 days, of:*
7 (a) *A change of name or of the address of his home or place of*
8 *employment; or*
9 (b) *The termination of the education for which he received the loan;*
10 *or*
11 3. *The recipient fails to comply with a requirement or perform an*
12 *obligation he is required to perform pursuant to an agreement with the*
13 *board of regents or its designee.*
14 **Sec. 7.** *A recipient of a loan pursuant to sections 2 to 9, inclusive, of*
15 *this act shall comply with the regulations adopted by the board of*
16 *regents. If a recipient fails to comply, the board of regents or its designee*
17 *may:*
18 1. *For each infraction, impose a civil penalty of not more than \$200*
19 *against the recipient in 1 academic year, and may deny additional money*
20 *to the recipient if he fails to pay the civil penalty when due;*
21 2. *Increase the portion of a future loan to be repaid by the recipient;*
22 *and*
23 3. *Extend the time by which the recipient is required to teach in this*
24 *state in lieu of repaying his loan.*
25 **Sec. 8.** 1. *The board of regents or its designee may, after receiving*
26 *an application stating the reasons therefor, grant an extension of the*
27 *period for the repayment of a loan in case of hardship arising out of the*
28 *circumstances of a recipient of a loan. The extension must be for a*
29 *period that will reasonably alleviate that hardship.*
30 2. *Applications for extensions must be filed within the time*
31 *prescribed by regulation of the board of regents.*
32 **Sec. 9.** 1. *The board of regents shall:*
33 (a) *Receive, invest, disburse and separately account for all money*
34 *received for the program.*
35 (b) *Use all the money that is accounted for separately pursuant to*
36 *paragraph (a) only to provide loans to students and waivers of those*
37 *loans pursuant to the program set forth in sections 2 to 9, inclusive, of*
38 *this act.*
39 (c) *Report to the governor and the interim finance committee on or*
40 *before October 1 of each year immediately preceding a regular session of*
41 *the legislature, setting forth in detail the transactions conducted by the*
42 *board of regents relating to the program during the biennium ending*
43 *June 30 of that year.*
44 (d) *Make such recommendations for legislation that the board of*
45 *regents considers appropriate for the program.*
46 2. *All money received in payment of loans or civil penalties must be*
47 *deposited in the account required by subsection 1.*



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1 **3. The money in the account required by subsection 1 and all interest**
2 **and income earned on that money must remain in the account and does**
3 **not revert to the state general fund at the end of any fiscal year.**

4 **Sec. 10.** 1. The superintendent of public instruction shall transfer
5 from the fund for school improvement to the University and Community
6 College System of Nevada to provide loans and waivers of those loans
7 pursuant to the program set forth in sections 2 to 9, inclusive, of this act,
8 the sum of \$250,000.

9 2. The board of regents shall:

10 (a) Use the money transferred pursuant to subsection 1 only to provide
11 loans to students and waivers of those loans pursuant to the program set
12 forth in sections 2 to 9, inclusive, of this act.

13 (b) Account for the money separately and credit that account with any
14 interest and income earned on the money.

15 (c) Use all the money in the account, including, without limitation, all
16 interest and income earned, only to provide loans to students and waivers
17 of those loans pursuant to the program set forth in sections 2 to 9,
18 inclusive, of this act.

19 **Sec. 11.** 1. There is hereby appropriated from the state general fund
20 to the department of education for reimbursement of costs incurred by
21 teachers to obtain endorsements in certain fields of specialization:

22 For the fiscal year 2001-2002.....\$50,000

23 For the fiscal year 2002-2003.....\$50,000

24 2. The department of education shall:

25 (a) In consultation with the boards of trustees of school districts
26 throughout this state, identify fields of specialization where a shortage of
27 teachers exist; and

28 (b) Maintain a list available for public inspection that contains the fields
29 of specialization identified pursuant to paragraph (a).

30 3. A teacher who holds a current license to teach issued pursuant to
31 chapter 391 of NRS may submit an application on a form provided by the
32 department of education for reimbursement of the costs incurred by the
33 teacher after July 1, 2001, in obtaining an endorsement in a field of
34 specialization identified pursuant to subsection 2. The reimbursement must
35 not exceed an amount equal to the actual verified costs incurred by a
36 teacher in obtaining an endorsement or \$2,000, whichever is less.

37 4. The sums appropriated by subsection 1 are available for either fiscal
38 year. Any balance of those sums must not be committed for expenditure
39 after June 30, 2003, and reverts to the state general fund as soon as all
40 payments of money committed have been made.

41 **Sec. 12.** Section 11 of chapter 543, Statutes of Nevada 1999, at page
42 2841, is hereby amended to read as follows:

43 Sec. 11. 1. The superintendent of public instruction shall
44 transfer from the fund for school improvement to the University and
45 Community College System of Nevada ~~the sum of \$130,680 to be~~
46 ~~used to provide not more than 45 scholarships at the University of~~
47 ~~Nevada, Las Vegas, and not more than 45 scholarships at the~~
48 ~~University of Nevada, Reno,] to provide certain scholarships:~~



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1 *For the fiscal year 1999-2000 \$130,680*
2 *For the fiscal year 2000-2001 \$130,680*

3 2. *The money transferred pursuant to subsection 1 must be used*
4 *each fiscal year to provide:*

5 (a) *Not more than 45 scholarships at the University of Nevada,*
6 *Las Vegas; and*

7 (b) *Not more than 45 scholarships at the University of Nevada,*
8 *Reno,*

9 for qualified students pursuing degrees in teaching.

10 ~~2. Any remaining~~

11 3. Any balance of the ~~sum~~ *sums* authorized for expenditure by
12 subsection 1 *remaining at the end of the respective fiscal years* must
13 not be committed for expenditure after June 30 ~~1, 2001,~~ *of the*
14 *respective fiscal years* and reverts to the fund for school improvement
15 as soon as all payments of money committed have been made.

16 **Sec. 13.** 1. The superintendent of public instruction shall transfer
17 from the fund for school improvement to the University and Community
18 College System of Nevada to provide certain scholarships:

19 For the fiscal year 2001-2002..... \$180,000

20 For the fiscal year 2002-2003..... \$205,000

21 2. The money transferred pursuant to subsection 1 must be used each
22 fiscal year to provide:

23 (a) Not more than 45 scholarships at the University of Nevada, Las
24 Vegas;

25 (b) Not more than 45 scholarships at the University of Nevada, Reno;

26 (c) Not more than 45 scholarships at the Nevada State College,
27 Henderson; and

28 (d) Not more than 45 scholarships at the Great Basin College,

29 for qualified students pursuing degrees in teaching.

30 3. Any balance of the sums authorized for expenditure by subsection 1
31 remaining at the end of the respective fiscal years must not be committed
32 for expenditure after June 30 of the respective fiscal years and reverts to
33 the fund for school improvement as soon as all payments of money
34 committed have been made.

35 **Sec. 14.** This act becomes effective on July 1, 2001.

