

SENATE BILL NO. 391—COMMITTEE ON FINANCE

MARCH 19, 2001

Referred to Committee on Finance

SUMMARY—Revises provisions governing millennium scholarships. (BDR 34-282)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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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 certain students who attend institutions of higher education that are located outside this state to apply for millennium scholarships; requiring the state treasurer to disburse millennium scholarships to eligible students who attend institutions of higher education that are located outside this state; 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 397 of NRS is hereby amended by adding thereto  
2     the provisions set forth as sections 2 to 7, inclusive, of this act.  
3     **Sec. 2.** *As used in sections 2 to 7, inclusive, of this act, unless the*  
4     *context otherwise requires, the words and terms defined in sections 3, 4*  
5     *and 5 have the meanings ascribed to them in those sections.*  
6     **Sec. 3.** *“Board of regents” means the board of regents of the*  
7     *University of Nevada.*  
8     **Sec. 4.** *“Millennium scholarship” has the meaning ascribed to it in*  
9     *NRS 396.918.*  
10    **Sec. 5.** *“Millennium scholarship trust fund” means the trust fund*  
11    *created pursuant to NRS 396.926.*  
12    **Sec. 6.** 1. *Except as otherwise provided in subsection 2, a student*  
13    *may apply to the state treasurer for a millennium scholarship if he:*  
14    *(a) Has been a resident of this state for at least 2 years before he*  
15    *applies for the scholarship;*  
16    *(b) Graduated from a public or private high school in this state:*  
17    *(1) After May 1, 2000; and*  
18    *(2) Not more than 8 years before he applies for the scholarship;*  
19    *(c) Maintained at least a 3.0 grade-point average on a 4.0 grading*  
20    *scale in high school in the core curriculum, as determined by the board*  
21    *of regents pursuant to subsection 2 of NRS 396.930; and*  
22    *(d) Is enrolled;*



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1       (1) Full time in a university or other institution of higher education  
2 that is located outside this state; or

3       (2) At least part time in a community college that is located outside  
4 this state.

5       2. A student who did not graduate from a public or private high  
6 school in this state may apply to the state treasurer for a millennium  
7 scholarship if he:

8       (a) Has been a resident of this state for at least 2 years before he  
9 applies for the scholarship;

10       (b) Otherwise satisfies the criteria set forth in subsection 1 and the  
11 criteria established by the board of regents pursuant to subsection 3 of  
12 NRS 396.930; and

13       (c) Receives at least the minimum score on a standardized test  
14 established by the board of regents pursuant to subsection 3 of NRS  
15 396.930.

16       3. Except as otherwise provided in this section, the board of regents  
17 shall not prescribe or establish any additional requirements for eligibility  
18 for receipt of millennium scholarships by students who are enrolled in  
19 universities, community colleges and other institutions of higher  
20 education that are located outside this state.

21       4. The provisions of this section do not apply to a student who is  
22 enrolled in a university or community college within the University and  
23 Community College System of Nevada.

24       Sec. 7. 1. Within the limits of money available in the millennium  
25 scholarship trust fund, a student who is eligible for a millennium  
26 scholarship pursuant to section 6 of this act is entitled to receive:

27       (a) If he is enrolled in a community college located outside this state,  
28 \$40 per credit for which the student is enrolled, or the amount of money  
29 that is necessary for the student to pay the costs of attending the  
30 community college that are not otherwise satisfied by other grants or  
31 scholarships, whichever is less.

32       (b) If he is enrolled in a university or other institution of higher  
33 education that is located outside this state, other than a community  
34 college, \$80 per credit for which the student is enrolled, or the amount of  
35 money that is necessary for the student to pay the costs of attending the  
36 university or institution that are not otherwise satisfied by other grants or  
37 scholarships, whichever is less.

38 No student may be awarded a millennium scholarship for a total amount  
39 in excess of \$10,000.

40       2. A student who receives a millennium scholarship pursuant to this  
41 section shall:

42       (a) Make satisfactory academic progress toward a recognized  
43 degree or certificate, as determined by the state treasurer pursuant to  
44 subsection 7; and

45       (b) Maintain at least a 2.0 grade-point average on a 4.0 grading scale.

46       3. A millennium scholarship received pursuant to this section must  
47 be used only:

48       (a) For the payment of tuition, registration fees and laboratory fees  
49 and expenses;



1 (b) To purchase required textbooks and course materials; and  
2 (c) For other costs related to the attendance of a student at a  
3 university, community college or other institution of higher education  
4 that is located outside this state.

5 4. Except as otherwise provided in this subsection, if a student drops  
6 out of school or fails to maintain at least a 2.0 grade-point average in any  
7 semester or quarter, as applicable, the student shall repay the millennium  
8 scholarship before the student is eligible to receive an additional  
9 millennium scholarship or otherwise receive money pursuant to sections  
10 2 to 7, inclusive, of this act. The state treasurer shall establish criteria for  
11 a waiver from the repayment required by this subsection, including,  
12 without limitation, service in the military and conditions of hardship  
13 such as medical necessity.

14 5. The state treasurer shall disburse a millennium scholarship  
15 directly to each student whose application is approved for each semester  
16 or quarter, as applicable, upon proof that:

17 (a) The student is enrolled:

18 (1) Full time in a university or other institution of higher education  
19 that is located outside this state; or

20 (2) At least part time in a community college that is located outside  
21 this state; and

22 (b) The student is in good standing and making satisfactory academic  
23 progress toward a recognized degree or certificate, as determined by the  
24 state treasurer pursuant to subsection 7.

25 6. The state treasurer shall make periodic reports to the board of  
26 regents regarding the disbursements made pursuant to subsection 5 to  
27 inform the board of regents of the amount of money available in the  
28 millennium scholarship trust fund for disbursement by the board of  
29 regents to students pursuant to NRS 396.914 to 396.934, inclusive.

30 7. The state treasurer:

31 (a) Shall adopt regulations establishing the criteria for determining  
32 whether a student is making satisfactory academic progress toward a  
33 recognized degree or certificate for purposes of subsection 5.

34 (b) May adopt such additional regulations as are necessary to carry  
35 out the provisions of sections 2 to 7, inclusive, of this act.

36 **Sec. 8.** NRS 396.911 is hereby amended to read as follows:

37 396.911 1. The legislature hereby declares that its priorities in  
38 expending the proceeds to the State of Nevada from settlement agreements  
39 with and civil actions against manufacturers of tobacco products are:

40 (a) To increase the number of Nevada ~~students~~ residents who attend  
41 and graduate from ~~Nevada~~ institutions of higher education; and

42 (b) To assist Nevada residents in obtaining and maintaining good  
43 health.

44 2. To further these priorities, the legislature hereby declares that it is in  
45 the best interest of the residents of the State of Nevada that all money  
46 received by the State of Nevada pursuant to any settlement entered into by  
47 the State of Nevada and a manufacturer of tobacco products and all money  
48 recovered by the State of Nevada from a judgment in a civil action against



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1 a manufacturer of tobacco products be dedicated solely toward the  
2 achievement of the following goals:

3 (a) Increasing the number of residents of the State of Nevada who enroll  
4 in and attend ~~in a university or community college of the University and~~  
5 ~~Community College System of Nevada;~~ *institutions of higher education;*

6 (b) Reducing and preventing the use of tobacco products, alcohol and  
7 illegal drugs, especially by children;

8 (c) Expanding the availability of health insurance and health care for  
9 children and adults in this state, especially for children and for adults with  
10 disabilities;

11 (d) Assisting senior citizens who have modest incomes in purchasing  
12 prescription drugs and assisting those senior citizens in meeting their needs  
13 related to health care, home care, respite care and their ability to live  
14 independent of institutional care; and

15 (e) Promoting the general health of all residents of the State of Nevada.

16 **Sec. 9.** NRS 396.926 is hereby amended to read as follows:

17 396.926 1. The millennium scholarship trust fund is hereby created  
18 in the state treasury. The state treasurer may accept gifts, grants, bequests  
19 and donations for deposit in the trust fund.

20 2. The state treasurer shall deposit in the trust fund:

21 (a) Forty percent of all money received by the State of Nevada pursuant  
22 to any settlement entered into by the State of Nevada and a manufacturer of  
23 tobacco products;

24 (b) Forty percent of all money recovered by the State of Nevada from a  
25 judgment in a civil action against a manufacturer of tobacco products; and

26 (c) Any gifts, grants, bequests or donations specifically designated for  
27 the trust fund by the donor.

28 3. The state treasurer shall administer the trust fund. As administrator  
29 of the trust fund, the state treasurer:

30 (a) Shall maintain the financial records of the trust fund;

31 (b) Shall invest the money in the trust fund as the money in other state  
32 funds is invested;

33 (c) Shall manage any account associated with the trust fund;

34 (d) Shall maintain any instruments that evidence investments made with  
35 the money in the trust fund;

36 (e) May contract with vendors for any good or service that is necessary  
37 to carry out the provisions of this section; and

38 (f) May perform any other duties necessary to administer the trust fund.

39 4. All interest and income earned on the money in the trust fund must,  
40 after deducting any applicable charges, be credited to the trust fund. All  
41 claims against the trust fund must be paid as other claims against the state  
42 are paid.

43 5. Not more than 2 percent of the amount of money in the trust fund  
44 may be used to pay the costs of administering the trust fund.

45 6. The money in the fund remains in the fund and does not revert to the  
46 state general fund at the end of any fiscal year.

47 7. Money in the trust fund may be used only for the purposes set forth  
48 in NRS 396.914 to 396.934, inclusive ~~H~~, *and sections 2 to 7, inclusive, of*  
49 *this act.*



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1     **Sec. 10.** NRS 439.600 is hereby amended to read as follows:  
2     439.600 1. The legislature hereby declares that its priorities in  
3     expending the proceeds to the State of Nevada from settlement agreements  
4     with and civil actions against manufacturers of tobacco products are:  
5     (a) To increase the number of Nevada ~~students~~ *residents* who attend  
6     and graduate from ~~Nevada~~ institutions of higher education; and  
7     (b) To assist Nevada residents in obtaining and maintaining good  
8     health.  
9     2. To further these priorities, the legislature hereby declares that it is in  
10    the best interest of the residents of this state that all money received by the  
11    State of Nevada pursuant to any settlement entered into by the State of  
12    Nevada and a manufacturer of tobacco products and all money recovered  
13    by the State of Nevada from a judgment in a civil action against a  
14    manufacturer of tobacco products be dedicated solely toward the  
15    achievement of the following goals:  
16    (a) Increasing the number of Nevada residents who enroll in and attend  
17    ~~a university or community college of the University and Community~~  
18    ~~College System of Nevada;~~ *institutions of higher education;*  
19    (b) Reducing and preventing the use of tobacco products, alcohol and  
20    illegal drugs, especially by children;  
21    (c) Expanding the availability of health insurance and health care for  
22    children and adults in this state, especially for children and for adults with  
23    disabilities;  
24    (d) Assisting senior citizens who have modest incomes in purchasing  
25    prescription drugs and assisting those senior citizens in meeting their needs  
26    related to health care, home care, respite care and their ability to live  
27    independent of institutional care; and  
28    (e) Promoting the general health of all residents of the State of Nevada.  
29    **Sec. 11.** This act becomes effective on July 1, 2001.

