

ASSEMBLY BILL NO. 153—COMMITTEE ON EDUCATION

(ON BEHALF OF THE STATE TREASURER)

MARCH 1, 2005

Referred to Committee on Ways and Means

SUMMARY—Revises provisions regarding millennium scholarship program. (BDR 34-582)

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; revising the eligibility requirements for millennium scholarships; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law establishes millennium scholarships, the Millennium Scholarship Trust Fund and the eligibility requirements for receipt of a scholarship. (NRS 396.911-396.938)

This bill changes the percentage of money that may be used to administer the Millennium Scholarship Trust Fund from 2 percent of the fund balance to 3 percent of the anticipated revenue in the Trust Fund.

In addition to the existing eligibility requirements for receipt of a millennium scholarship, this bill requires a student to submit a completed Free Application for Federal Student Aid (FAFSA). The FAFSA requires various information, including the student's state of residence, social security number, marital status and income information.

Under existing law, a student who is eligible for a millennium scholarship must receive a prescribed dollar amount per credit for each semester that the student is eligible for a scholarship. The amounts vary depending upon whether the student is enrolled in a community college, the state college or another eligible institution. (NRS 396.934)

This bill amends existing law to limit the amounts that a student may be awarded per semester to the cost of 6 semester credits for enrollment in a community college and to the cost of 12 semester credits for enrollment in all other eligible institutions.

Under existing law, a student who receives a scholarship must make satisfactory academic progress toward a recognized degree or certificate and must maintain at least a 2.6 grade point average. (NRS 396.934)



24 This bill amends existing law to provide that if a student fails to maintain  
25 satisfactory academic progress or fails to maintain the minimum grade point  
26 average in a semester, the student is no longer eligible for a millennium scholarship  
27 and may not reapply in a subsequent semester.

28 This bill prohibits a student from receiving a millennium scholarship for a  
29 summer academic term, excluding students enrolled in accelerated programs, or for  
30 more than one baccalaureate degree awarded by an eligible institution. This bill  
31 also requires the Board of Regents of the University of Nevada to establish criteria  
32 for receipt of a millennium scholarship during a summer academic term for  
33 students who are enrolled in an accelerated program at a community college.

34 Under existing law, a student must apply for a scholarship within a certain  
35 number of years after he graduates from high school, depending on the year of  
36 graduation, and must be enrolled in a certain number of credits per semester at a  
37 community college or other eligible institution. (NRS 396.930)

38 This bill requires the Board of Regents to establish criteria for exempting a  
39 student with a documented physical or mental disability from the time limitation on  
40 application after graduation from high school and from the minimum credit  
41 requirements.

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

1 **Section 1.** NRS 396.926 is hereby amended to read as follows:

2 396.926 1. The Millennium Scholarship Trust Fund is hereby  
3 created in the State Treasury. The State Treasurer may accept gifts,  
4 grants, bequests and donations for deposit in the Trust Fund.

5 2. The State Treasurer shall deposit in the Trust Fund:

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

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

12 (c) Any gifts, grants, bequests or donations specifically  
13 designated for the Trust Fund by the donor.

14 3. The State Treasurer shall administer the Trust Fund. As  
15 administrator of the Trust Fund, the State Treasurer, except as  
16 otherwise provided in this section:

17 (a) Shall maintain the financial records of the Trust Fund;

18 (b) Shall invest the money in the Trust Fund as the money in  
19 other state funds is invested;

20 (c) Shall manage any account associated with the Trust Fund;

21 (d) Shall maintain any instruments that evidence investments  
22 made with the money in the Trust Fund;

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



(f) May perform any other duties necessary to administer the Trust Fund.

4. In addition to the investments authorized pursuant to paragraph (b) of subsection 3, the State Treasurer may, except as otherwise provided in subsection 5, invest the money in the Trust Fund in:

(a) Common or preferred stock of a corporation created by or existing under the laws of the United States or of a state, district or territory of the United States, if:

(1) The stock of the corporation is:

(I) Listed on a national stock exchange; or

(II) Traded in the over-the-counter market, if the price quotations for the over-the-counter stock are quoted by the National Association of Securities Dealers Automated Quotations System (NASDAQ);

(2) The outstanding shares of the corporation have a total market value of not less than \$50,000,000;

(3) The maximum investment in stock is not greater than 25 percent of the book value of the total investments of the Trust Fund;

(4) Except for investments made pursuant to paragraph (c), the amount of an investment in a single corporation is not greater than 3 percent of the book value of the assets of the Trust Fund; and

(5) Except for investments made pursuant to paragraph (c), the total amount of shares owned by the Trust Fund is not greater than 5 percent of the outstanding stock of a single corporation.

(b) A pooled or commingled real estate fund or a real estate security that is managed by a corporate trustee or by an investment advisory firm that is registered with the Securities and Exchange Commission, either of which may be retained by the State Treasurer as an investment manager. The shares and the pooled or commingled fund must be held in trust. The total book value of an investment made under this paragraph must not at any time be greater than 5 percent of the total book value of all investments of the Trust Fund.

(c) Mutual funds or common trust funds that consist of any combination of the investments authorized pursuant to paragraph (b) of subsection 3 and paragraphs (a) and (b) of this subsection.

5. The State Treasurer shall not invest any money in the Trust Fund pursuant to subsection 4 unless the State Treasurer obtains a judicial determination that the proposed investment or category of investments will not violate the provisions of Section 9 of Article 8 of the Constitution of the State of Nevada. The State Treasurer shall contract for the services of independent contractors to manage any investments of the State Treasurer made pursuant to subsection 4.



1 The State Treasurer shall establish such criteria for the qualifications  
2 of such an independent contractor as are appropriate to ensure that  
3 each independent contractor has expertise in the management of  
4 such investments.

5 6. All interest and income earned on the money in the Trust  
6 Fund must, after deducting any applicable charges, be credited to  
7 the Trust Fund. All claims against the Trust Fund must be paid as  
8 other claims against the State are paid.

9 7. Not more than ~~[2]~~ 3 percent of the ~~[amount of money]~~  
10 *anticipated revenue* in the Trust Fund may be used to pay the costs  
11 of administering the Trust Fund.

12 8. The money in the Trust Fund remains in the Fund and does  
13 not revert to the State General Fund at the end of any fiscal year.

14 9. Money in the Trust Fund may be used only for the purposes  
15 set forth in NRS 396.914 to 396.934, inclusive.

16 **Sec. 2.** NRS 396.930 is hereby amended to read as follows:

17 396.930 1. Except as otherwise provided in ~~[subsections 2~~  
18 ~~and 3.]~~ *this section*, a student may apply to the Board of Regents for  
19 a millennium scholarship if he:

20 (a) Has been a resident of this State for at least 2 years before he  
21 applies for the scholarship;

22 (b) *Has submitted a Free Application for Federal Student Aid*  
23 *(FAFSA) and the entity reviewing the application has determined*  
24 *that the application is complete;*

25 (c) Except as otherwise provided in paragraph ~~[(e)]~~ (d),  
26 graduated from a public or private high school in this State:

27 (1) After May 1, 2000, but not later than May 1, 2003; or

28 (2) After May 1, 2003, and, except as otherwise provided in  
29 ~~[paragraph]~~ *paragraphs (c) and (d)* of subsection 2, not more than 6  
30 years before he applies for the scholarship;

31 ~~[(e)]~~ (d) Does not satisfy the requirements of paragraph ~~[(b)]~~ (c)  
32 and:

33 (1) Was enrolled as a pupil in a public or private high school  
34 in this State with a class of pupils who were regularly scheduled to  
35 graduate after May 1, 2000;

36 (2) Received his high school diploma within 4 years after he  
37 was regularly scheduled to graduate; and

38 (3) ~~[Applies]~~ *Except as otherwise provided in paragraph (d)*  
39 *of subsection 2, applies* for the scholarship not more than 6 years  
40 after he was regularly scheduled to graduate from high school;

41 ~~[(d)]~~ (e) Maintained in high school in the courses designated by  
42 the Board of Regents pursuant to paragraph (b) of subsection 2, at  
43 least:

44 (1) A ~~[3.0]~~ 3.00 grade point average on a 4.0 grading scale, if  
45 he was a member of the graduating class of 2003 or 2004;



(2) A ~~3.10~~ 3.10 grade point average on a 4.0 grading scale, if he was a member of the graduating class of 2005 or 2006; or

(3) A 3.25 grade point average on a 4.0 grading scale, if he was a member of the graduating class of 2007 or a later graduating class; and

~~(e) Is~~

*(f) Except as otherwise provided in paragraph (d) of subsection 2, is* enrolled in at least:

(1) Six semester credit hours in a community college within the System; or

(2) Twelve semester credit hours in another eligible institution.

2. The Board of Regents:

(a) Shall define the core curriculum that a student must complete in high school to be eligible for a millennium scholarship.

(b) Shall designate the courses in which a student must earn the minimum grade point averages set forth in paragraph ~~(d)~~ (e) of subsection 1.

(c) May establish criteria with respect to students who have been on active duty serving in the Armed Forces of the United States to exempt such ~~student~~ students from the 6-year limitation on applications that is set forth in subparagraph (2) of paragraph ~~(b)~~ (c) of subsection 1.

*(d) Shall establish criteria with respect to students who have a documented physical or mental disability to exempt those students from:*

*(1) The 6-year limitation on applications that is set forth in subparagraph (2) of paragraph (c) of subsection 1 and subparagraph (3) of paragraph (d) of subsection 1 and any limitation applicable to students who are eligible pursuant to subparagraph (1) of paragraph (c) of subsection 1.*

*(2) The minimum number of credits prescribed in paragraph (f) of subsection 1.*

3. Except as otherwise provided in paragraph ~~(e)~~ (d) of subsection 1, for students who did not graduate from a public or private high school in this State and who have been residents of this State for at least 2 years, the Board of Regents shall establish:

(a) The minimum score on a standardized test that such students must receive; or

(b) Other criteria that students must meet,  
→ to be eligible for millennium scholarships.

4. *If a student does not satisfy the requirements of subsection 3 of NRS 396.934, the student is not eligible for a millennium scholarship.*



1       **5.** In awarding scholarships, the Board of Regents shall  
2 enhance its outreach to students who:

- 3       (a) Are pursuing a career in education or health care;  
4       (b) Come from families who lack sufficient financial resources  
5 to pay for the costs of sending their children to an eligible  
6 institution; or  
7       (c) Substantially participated in an antismoking, antidrug or  
8 antialcohol program during high school.

9       **Sec. 3.** NRS 396.934 is hereby amended to read as follows:

10       396.934 1. ~~[Within]~~ *Except as otherwise provided in*  
11 *subsection 2, within* the limits of money available in the Trust  
12 Fund, a student who is eligible for a millennium scholarship is  
13 entitled to receive:

14       (a) ~~[[[~~ *Subject to the limitation set forth in this subsection, if*  
15 he is enrolled in a community college within the System, \$40 per  
16 credit for each lower division course and \$60 per credit for each  
17 upper division course in which the student is enrolled, or the amount  
18 of money that is necessary for the student to pay the costs of  
19 attending the community college that are not otherwise satisfied by  
20 other grants or scholarships, whichever is less. *In no event may a*  
21 *student who is eligible for a millennium scholarship receive more*  
22 *than the cost of 6 semester credits per semester pursuant to this*  
23 *paragraph.* The Board of Regents shall provide for the designation  
24 of upper and lower division courses for the purposes of this  
25 paragraph.

26       (b) ~~[[[~~ *Subject to the limitation set forth in this subsection, if*  
27 he is enrolled in a state college within the System, \$60 per credit for  
28 which the student is enrolled, or the amount of money that is  
29 necessary for the student to pay the costs of attending the state  
30 college that are not otherwise satisfied by other grants or  
31 scholarships, whichever is less. *In no event may a student who is*  
32 *eligible for a millennium scholarship receive more than the cost of*  
33 *12 semester credits per semester pursuant to this paragraph.*

34       (c) ~~[[[~~ *Subject to the limitation set forth in this subsection, if*  
35 he is enrolled in another eligible institution, \$80 per credit for which  
36 the student is enrolled, or the amount of money that is necessary for  
37 the student to pay the costs of attending the university that are not  
38 otherwise satisfied by other grants or scholarships, whichever is  
39 less. *In no event may a student who is eligible for a millennium*  
40 *scholarship receive more than the cost of 12 semester credits per*  
41 *semester pursuant to this paragraph.*

42       2. No student may be awarded a *millennium* scholarship ~~for~~  
43 ~~at~~:

44       (a) *To pay for any remedial courses;*



*(b) If he has been awarded a baccalaureate degree by an eligible institution and he received a millennium scholarship while earning that degree; or*

*(c) For a total amount in excess of \$10,000.*

~~[2-]~~ 3. A student who receives a millennium scholarship shall:

(a) Make satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents pursuant to subsection ~~[5-]~~ 7; and

(b) If the student graduated from high school after May 1, 2003, maintain at least a ~~[2-6]~~ 2.60 grade point average on a 4.0 grading scale.

~~[3-]~~ 4. *If a student does not satisfy the requirements of subsection 3 for each semester of enrollment that he receives a millennium scholarship, the student is no longer eligible for a millennium scholarship and may not reapply in a succeeding semester, regardless of whether he subsequently satisfies those requirements.*

5. A millennium scholarship must be used only:

(a) For the payment of registration fees and laboratory fees and expenses;

(b) To purchase required textbooks and course materials; and

(c) For other costs related to the attendance of the student at the eligible institution.

~~[4-]~~ 6. The Board of Regents shall certify a list of eligible students to the State Treasurer. The State Treasurer shall disburse a millennium scholarship for each semester on behalf of an eligible student directly to the eligible institution in which the student is enrolled, upon certification from the eligible institution of the number of credits for which the student is enrolled, which must meet or exceed the minimum number of credits required for eligibility and certification that the student is in good standing and making satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents pursuant to subsection ~~[5-]~~ 7. The scholarship must be administered by the eligible institution as other similar scholarships are administered and may be used only for the expenditures authorized pursuant to subsection ~~[3-]~~ 5.

~~[5-]~~ 7. The Board of Regents shall establish criteria for determining whether a student is making satisfactory academic progress toward a recognized degree or certificate for purposes of subsection ~~[4-]~~ 6.

**Sec. 4.** NRS 396.934 is hereby amended to read as follows:

396.934 1. Except as otherwise provided in subsection 2, within the limits of money available in the Trust Fund, a student who is eligible for a millennium scholarship is entitled to receive:



(a) Subject to the limitation set forth in this subsection, if he is enrolled in a community college within the System, \$40 per credit for each lower division course and \$60 per credit for each upper division course in which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the community college that are not otherwise satisfied by other grants or scholarships, whichever is less. In no event may a student who is eligible for a millennium scholarship receive more than the cost of 6 semester credits per semester pursuant to this paragraph. The Board of Regents shall provide for the designation of upper and lower division courses for the purposes of this paragraph.

(b) Subject to the limitation set forth in this subsection, if he is enrolled in a state college within the System, \$60 per credit for which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the state college that are not otherwise satisfied by other grants or scholarships, whichever is less. In no event may a student who is eligible for a millennium scholarship receive more than the cost of 12 semester credits per semester pursuant to this paragraph.

(c) Subject to the limitation set forth in this subsection, if he is enrolled in another eligible institution, \$80 per credit for which the student is enrolled, or the amount of money that is necessary for the student to pay the costs of attending the university that are not otherwise satisfied by other grants or scholarships, whichever is less. In no event may a student who is eligible for a millennium scholarship receive more than the cost of 12 semester credits per semester pursuant to this paragraph.

2. No student may be awarded a millennium scholarship:

(a) *Except as otherwise provided in subsection 7, for a summer academic term;*

(b) To pay for any remedial courses;

~~(b)~~ (c) If he has been awarded a baccalaureate degree by an eligible institution and he received a millennium scholarship while earning that degree; or

~~(c)~~ (d) For a total amount in excess of \$10,000.

3. A student who receives a millennium scholarship shall:

(a) Make satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents pursuant to subsection 7; and

(b) If the student graduated from high school after May 1, 2003, maintain at least a 2.60 grade point average on a 4.0 grading scale.

4. If a student does not satisfy the requirements of subsection 3 for each semester of enrollment that he receives a millennium scholarship, the student is no longer eligible for a millennium





1 scholarship and may not reapply in a succeeding semester,  
2 regardless of whether he subsequently satisfies those requirements.

3 5. A millennium scholarship must be used only:

4 (a) For the payment of registration fees and laboratory fees and  
5 expenses;

6 (b) To purchase required textbooks and course materials; and

7 (c) For other costs related to the attendance of the student at the  
8 eligible institution.

9 6. The Board of Regents shall certify a list of eligible students  
10 to the State Treasurer. The State Treasurer shall disburse a  
11 millennium scholarship for each semester on behalf of an eligible  
12 student directly to the eligible institution in which the student is  
13 enrolled, upon certification from the eligible institution of the  
14 number of credits for which the student is enrolled, which must  
15 meet or exceed the minimum number of credits required for  
16 eligibility and certification that the student is in good standing and  
17 making satisfactory academic progress toward a recognized degree  
18 or certificate, as determined by the Board of Regents pursuant to  
19 subsection 7. The scholarship must be administered by the eligible  
20 institution as other similar scholarships are administered and may be  
21 used only for the expenditures authorized pursuant to subsection 5.

22 7. The Board of Regents shall establish criteria for  
23 **[determining]** :

24 (a) **Determining** whether a student is making satisfactory  
25 academic progress toward a recognized degree or certificate for  
26 purposes of subsection 6.

27 (b) ***The receipt of a millennium scholarship during a summer***  
28 ***academic term for students enrolled in programs at a community***  
29 ***college in the System that are designed to be completed at an***  
30 ***accelerated pace.***

31 **Sec. 5.** 1. This section and sections 1, 2 and 3 of this act  
32 become effective on July 1, 2005.

33 2. Section 3 of this act expires by limitation on June 30, 2007.

34 3. Section 4 of this act becomes effective on July 1, 2007.







