

SENATE BILL NO. 370—SENATORS TOWNSEND AND HECK

MARCH 19, 2007

Referred to Committee on Finance

SUMMARY—Revises the eligibility requirements for a Governor Guinn Millennium Scholarship for students who have completed a certain number of credits. (BDR 34-301)

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

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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; requiring as a condition of continued eligibility for a Governor Guinn Millennium Scholarship that a student who has completed a certain number of college-level credits be enrolled in one of certain major fields of study; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Governor Guinn Millennium Scholarship Program, including the eligibility requirements for receiving the scholarship. (NRS 396.911-396.938) **Section 1** of this bill revises those requirements by requiring that a student who has completed a certain number of college-level credits be enrolled in one of certain major fields of study to remain eligible to receive the scholarship, including engineering, mathematics, science, education, business, construction sciences, mental health and social work.

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

Section 1. Chapter 396 of NRS is hereby amended by adding thereto a new section to read as follows:
1. After a student has completed 30 or more college-level credits, the student must be enrolled in one of the following major fields of study to remain eligible for a millennium scholarship:



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1 (a) Engineering, including, without limitation, chemical
2 engineering, civil engineering, computer and information
3 engineering, electrical engineering, engineering physics,
4 environmental engineering, geological engineering, materials
5 science and engineering, mechanical engineering and mining
6 engineering.

7 (b) Mathematics, including, without limitation, general
8 mathematics and applied mathematics.

9 (c) Physical science, including, without limitation, chemistry,
10 geology, physics, environmental science and atmospheric science.

11 (d) Biological or agricultural science, including, without
12 limitation, biology, biotechnology, biochemistry, molecular
13 biology, animal science and animal biotechnology.

14 (e) Health science, including, without limitation, nursing,
15 clinical laboratory science, health physics, medical radiologic
16 technology, nuclear medical technology, nutritional science,
17 exercise science and sports medicine.

18 (f) Computer science.

19 (g) Education, including, without limitation, elementary
20 education, secondary education, special education, early
21 childhood education, music education and physical education.

22 (h) Business, including, without limitation, accounting,
23 economics, finance, information systems and international
24 business.

25 (i) Construction sciences, including, without limitation,
26 construction technology and construction management.

27 (j) Mental health, including, without limitation, psychology
28 and substance abuse counseling.

29 (k) Social work.

30 2. If a student who is enrolled in one of the major fields of
31 study described in subsection 1 and who is receiving a millennium
32 scholarship changes his major field of study to one not described
33 in subsection 1, the student is not eligible for the millennium
34 scholarship for the succeeding semester of enrollment.

35 **Sec. 2.** NRS 396.914 is hereby amended to read as follows:

36 396.914 As used in NRS 396.911 to 396.938, inclusive, *and*
37 *section 1 of this act*, unless the context otherwise requires, the
38 words and terms defined in NRS 396.916, 396.918 and 396.922
39 have the meanings ascribed to them in those sections.

40 **Sec. 3.** NRS 396.926 is hereby amended to read as follows:

41 396.926 1. The Governor Guinn Millennium Scholarship
42 Program is hereby created for the distribution of the Governor
43 Guinn Millennium Scholarships in accordance with NRS 396.911 to
44 396.938, inclusive **[H]**, *and section 1 of this act*. The Millennium
45 Scholarship Trust Fund is hereby created in the State Treasury. The



1 State Treasurer may accept gifts, grants, bequests and donations for
2 deposit in the Trust Fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

32 (1) The stock of the corporation is:

33 (I) Listed on a national stock exchange; or

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

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

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

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



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

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

7. Not more than 3 percent of the anticipated annual revenue to the State of Nevada from the settlement agreements with and civil actions against manufacturers of tobacco products anticipated for deposit in the Trust Fund may be used to pay the costs of administering the Trust Fund.

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

9. Money in the Trust Fund may be used only for the purposes set forth in NRS 396.914 to 396.934, inclusive **H**, and *section 1 of this act*.

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

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



(a) If he is enrolled in a community college within the System, including, without limitation, a summer academic term, \$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. The Board of Regents shall provide for the designation of upper and lower division courses for the purposes of this paragraph. 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.

(b) If he is enrolled in a state college within the System, including, without limitation, a summer academic term, \$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) If he is enrolled in another eligible institution, including, without limitation, a summer academic term, \$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) To pay for remedial courses.

(b) 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) *Comply with the provisions of section 1 of this act, if applicable; and*

(c) If the student graduated from high school after May 1, 2003, maintain:

(1) At least a 2.60 grade point average on a 4.0 grading scale for each semester during the first year of enrollment in the Governor Guinn Millennium Scholarship Program.

(2) At least a 2.75 grade point average on a 4.0 grading scale for each semester during the second year of enrollment in the



1 Governor Guinn Millennium Scholarship Program and for each
2 semester during each year of enrollment thereafter.

3 4. If a student does not satisfy the requirements of subsection 3
4 during one semester of enrollment, excluding a summer academic
5 term, he is not eligible for the millennium scholarship for the
6 succeeding semester of enrollment. If such a student:

7 (a) Subsequently satisfies the requirements of subsection 3 in a
8 semester in which he is not eligible for the scholarship, he is eligible
9 for the scholarship for his next semester of enrollment.

10 (b) Fails a second time to satisfy the requirements of subsection
11 3 during any subsequent semester, excluding a summer academic
12 term, he is no longer eligible for a millennium scholarship.

13 5. A millennium scholarship must be used only:

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

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

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

19 6. The Board of Regents shall certify a list of eligible students
20 to the State Treasurer. The State Treasurer shall disburse a
21 millennium scholarship for each semester on behalf of an eligible
22 student directly to the eligible institution in which the student is
23 enrolled, upon certification from the eligible institution of the
24 number of credits for which the student is enrolled, which must
25 meet or exceed the minimum number of credits required for
26 eligibility, ~~and~~ certification that the student is in good standing
27 and making satisfactory academic progress toward a recognized
28 degree or certificate, as determined by the Board of Regents
29 pursuant to subsection 7 ~~H~~, *and certification that the student is in*
30 *compliance with the provisions of section 1 of this act or is not*
31 *subject to those provisions.* The scholarship must be administered
32 by the eligible institution as other similar scholarships are
33 administered and may be used only for the expenditures authorized
34 pursuant to subsection 5.

35 7. The Board of Regents shall establish criteria for determining
36 whether a student is making satisfactory academic progress toward a
37 recognized degree or certificate for purposes of subsection 6.

38 8. The Board of Regents shall establish procedures to ensure
39 that all money from a millennium scholarship awarded to a student
40 that is refunded in whole or in part for any reason is refunded to the
41 Trust Fund and not the student.

42 **Sec. 5.** The provisions of section 1 of this act do not apply to a
43 student who is awarded a millennium scholarship for the spring
44 semester of 2008 or a summer academic term of 2008, and for each
45 semester during each year of enrollment thereafter if the student:



- 1 1. Is enrolled in an eligible institution on the first day of the fall
2 semester of 2008; and
- 3 2. Continues to satisfy all other requirements for the
4 millennium scholarship for the fall semester of 2008 and for each
5 semester during each year of enrollment thereafter.
- 6 **Sec. 6.** This act becomes effective on July 1, 2008.

