

ASSEMBLY BILL NO. 353—ASSEMBLYMEN DIAZ, SPIEGEL,
FRIERSON; BUSTAMANTE ADAMS, CARRILLO, COHEN,
DONDERO LOOP, EISEN, OHRENSCHALL, PIERCE AND
SWANK

MARCH 18, 2013

JOINT SPONSOR: SENATOR KIECKHEFER

Referred to Concurrent Committees on Education
and Ways and Means

SUMMARY—Revises provisions relating to financial aid programs
for students enrolled in the Nevada System of Higher
Education. (BDR 34-918)

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; requiring the Board of Regents of the University of Nevada to establish a program for the award of need-based scholarships to certain students enrolled in the Nevada System of Higher Education; creating an account administered by the Board of Regents for the purpose of providing money for the award of such scholarships; requiring the State Treasurer annually to transfer certain money from the Abandoned Property Trust Account to the scholarship account; requiring an institution at which a scholarship recipient is enrolled to award a scholarship to the student in an amount equal to 25 percent of the amount of the scholarship awarded by the Board of Regents; requiring the Board of Regents to establish certain criteria and procedures relating to the scholarship program; and providing other matters properly relating thereto.



* A B 3 5 3 *

Legislative Counsel's Digest:

Section 5 of this bill requires the Board of Regents of the University of Nevada to establish a program for the award of need-based scholarships to students enrolled at a university, state college or community college of the Nevada System of Higher Education. **Section 5** creates an account administered by the Board of Regents for the purpose of providing money for such scholarships. **Section 8** of this bill requires the State Treasurer annually to transfer certain money from the Abandoned Property Trust Account to the account created by **section 5**. Additionally, the Board of Regents is authorized to accept gifts, grants, bequests and donations for deposit in the account.

Section 6 of this bill provides that a student enrolled in a certain number of credit hours at a university, state college or community college of the Nevada System of Higher Education whose family lacks sufficient financial resources to pay for the costs of sending the student to a university, state college or community college of the System may apply for a scholarship under the program. **Section 7** of this bill sets forth limitations on the use of the scholarship money and the process for disbursement of the scholarship money to an eligible institution. **Section 7** also provides that an eligible institution is required to award to a student who receives a scholarship under the program a scholarship that is equal to 25 percent of the amount of the scholarship awarded by the Board of Regents pursuant to the program.

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 the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. *As used in sections 2 to 7, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Eligible institution" means a university, state college or community college of the System.*

Sec. 4. *"Program" means the need-based scholarship program established by the Board of Regents pursuant to section 5 of this act.*

Sec. 5. 1. *The Board of Regents shall establish a program for the award of need-based scholarships to students at eligible institutions.*

2. *There is hereby created in the State General Fund an account for the purpose of providing money for scholarships awarded pursuant to the program. The Board of Regents shall administer the account.*

3. *In addition to the money paid into the account pursuant to NRS 120A.620, the Board of Regents may accept gifts, grants, bequests and donations for deposit in the account.*



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

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

6. Money in the account may be used only for the purposes set forth in sections 2 to 7, inclusive, of this act.

Sec. 6. A student may apply to the Board of Regents for a scholarship from the program if the student:

1. Is enrolled in at least:

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

(b) Twelve semester credit hours in another eligible institution; or

(c) A total of 12 or more semester credit hours in eligible institutions, if the student is enrolled in more than one eligible institution; and

2. Comes from a family that lacks sufficient financial resources to pay for the costs of sending the student to an eligible institution within the System.

Sec. 7. 1. Except as otherwise provided in this section, within the limits of money available in the account created by section 5 of this act, a student who is eligible for a scholarship pursuant to section 6 of this act may be awarded a scholarship in an amount authorized in accordance with procedures and guidelines established by the Board of Regents.

2. A student who receives a scholarship must make satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents pursuant to subsection 6.

3. A 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 any other costs related to the attendance of the student at the eligible institution.

4. The Board of Regents shall disburse a 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 set forth in section 6 of this act, and certification that the student is in good standing and making satisfactory academic progress toward a recognized degree



1 *or certificate, as determined by the Board of Regents pursuant to*
2 *subsection 6. The scholarship must be administered by the eligible*
3 *institution as other similar scholarships are administered and may*
4 *be used only for the expenditures authorized pursuant to*
5 *subsection 3. If a student is enrolled in more than one eligible*
6 *institution, the scholarship must be administered by the eligible*
7 *institution at which the student is enrolled in a program of study*
8 *leading to a recognized degree or certificate.*

9 5. *An eligible institution shall, for each student for whom a*
10 *scholarship is disbursed to the eligible institution pursuant to*
11 *subsection 4, award to the student a scholarship in an amount*
12 *equal to 25 percent of the amount of the scholarship awarded to*
13 *the student pursuant to subsection 4. A scholarship awarded*
14 *pursuant to this subsection is subject to all the requirements of*
15 *this section.*

16 6. *The Board of Regents shall establish:*

17 (a) *Criteria for determining whether a student meets the*
18 *requirements of subsection 2 of section 6 of this act.*

19 (b) *Criteria for determining whether a student is making*
20 *satisfactory academic progress toward a recognized degree or*
21 *certificate.*

22 (c) *Procedures to ensure that all money from a scholarship*
23 *awarded to a student that is refunded in whole or in part for any*
24 *reason is refunded to the account created by section 5 of this act*
25 *and not to the student.*

26 (d) *Procedures and guidelines for the administration of a*
27 *scholarship for students who are enrolled in more than one*
28 *eligible institution.*

29 **Sec. 8.** NRS 120A.620 is hereby amended to read as follows:

30 120A.620 1. There is hereby created in the State General
31 Fund the Abandoned Property Trust Account.

32 2. All money received by the Administrator under this chapter,
33 including the proceeds from the sale of abandoned property, must be
34 deposited by the Administrator in the State General Fund for credit
35 to the Account.

36 3. Before making a deposit, the Administrator shall record the
37 name and last known address of each person appearing from
38 the holders' reports to be entitled to the abandoned property and the
39 name and last known address of each insured person or annuitant,
40 and with respect to each policy or contract listed in the report of an
41 insurance company, its number, the name of the company and the
42 amount due. The record must be available for public inspection at
43 all reasonable business hours.

44 4. The Administrator may pay from money available in the
45 Account:



- 1 (a) Any costs in connection with the sale of abandoned property.
- 2 (b) Any costs of mailing and publication in connection with any
- 3 abandoned property.
- 4 (c) Reasonable service charges.
- 5 (d) Any costs incurred in examining the records of a holder and
- 6 in collecting the abandoned property.
- 7 (e) Any valid claims filed pursuant to this chapter.
- 8 5. Except as otherwise provided in NRS 120A.610, by the end
- 9 of each fiscal year, the balance in the Account must be transferred as
- 10 follows:
- 11 (a) The first \$7,600,000 each year must be transferred to the
- 12 Millennium Scholarship Trust Fund created by NRS 396.926.
- 13 (b) ~~The~~ *Twenty-five percent of the remainder must be*
- 14 *transferred to the account created by section 5 of this act.*
- 15 (c) *Seventy-five percent of the* remainder must be transferred to
- 16 the State General Fund, but remains subject to the valid claims of
- 17 holders pursuant to NRS 120A.590 and owners pursuant to NRS
- 18 120A.640. No such claim may be satisfied from money in the
- 19 Millennium Scholarship Trust Fund ~~+~~ *or the account created by*
- 20 *section 5 of this act.*
- 21 6. If there is an insufficient amount of money in the Account to
- 22 pay any cost or charge pursuant to subsection 4, the State Board of
- 23 Examiners may, upon the application of the Administrator,
- 24 authorize a temporary transfer from the State General Fund to the
- 25 Account of an amount necessary to pay those costs or charges. The
- 26 Administrator shall repay the amount of the transfer as soon as
- 27 sufficient money is available in the Account.
- 28 **Sec. 9.** This act becomes effective on July 1, 2013.

