

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—Authorizes the Board of Regents of the University of
Nevada to establish a financial aid program 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; authorizing the Board of Regents of
the University of Nevada to establish a program for the
award of need-based financial aid to certain students
enrolled in the Nevada System of Higher Education;
creating the Fund for Financial Aid for the purpose of
distributing financial aid pursuant to the program;
requiring the State Treasurer quarterly to transfer certain
money from the Abandoned Property Trust Account to
the Fund for Financial Aid; requiring an eligible
institution at which a grant or scholarship recipient is
enrolled to award a separate grant or scholarship to the
student in an amount at least equal to 25 percent of the
amount of the grant or scholarship awarded pursuant to
the financial aid program; establishing certain criteria and
procedures relating to the financial aid program; and
providing other matters properly relating thereto.



Legislative Counsel's Digest:

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

Section 6 of this bill provides that if the Board of Regents establishes such a financial aid program, the program must include criteria for determining the eligibility of students for financial aid, including requirements that a student be enrolled in at least 12 semester credit hours at a university, state college or community college of the Nevada System of Higher Education and that the student lacks sufficient financial resources to pay for the costs of attending the university, state college or community college. **Section 7** of this bill sets forth limitations on the use of the financial aid by a student. **Section 7** also provides that an eligible institution at which a grant or scholarship recipient is enrolled is required to award to the student a separate grant or scholarship that is at least equal to 25 percent of the amount of the scholarship awarded pursuant to the financial aid 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 a need-based financial aid program established by the Board of Regents pursuant to section 5 of this act.*

Sec. 5. 1. *The Fund for Financial Aid is hereby created in the State Treasury. Money in the Fund must be used only to provide financial aid pursuant to the program.*

2. *The Board of Regents may administer and distribute the money in the Fund if the Board of Regents establishes a program for the award of need-based financial aid pursuant to sections 2 to 7, inclusive, of this act to students attending eligible institutions.*

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



1 **Sec. 6. If the Board of Regents establishes a program, the**
2 **program must include:**

3 1. **Criteria for determining the eligibility of a student for**
4 **financial aid, including, without limitation, a requirement that the**
5 **student:**

6 (a) **Is enrolled in at least 12 semester credit hours at one or**
7 **more eligible institutions; and**

8 (b) **Lacks sufficient financial resources to pay for the costs of**
9 **attending an eligible institution.**

10 2. **Procedures and guidelines for the administration of**
11 **financial aid for students who are enrolled in more than one**
12 **eligible institution.**

13 3. **Criteria for determining whether a student who receives**
14 **financial aid is making satisfactory academic progress toward a**
15 **recognized degree or certificate.**

16 4. **Procedures for disbursing money from the Fund for**
17 **Financial Aid created by section 5 of this act to the eligible**
18 **institutions.**

19 **Sec. 7. 1. Except as otherwise provided in this section,**
20 **within the limits of money available in the Fund for Financial Aid**
21 **created by section 5 of this act, a student who is eligible for**
22 **financial aid pursuant to the program may be awarded a grant or**
23 **scholarship in an amount authorized in accordance with the**
24 **procedures and guidelines established by the Board of Regents.**

25 2. **A student who receives financial aid pursuant to the**
26 **program must, to continue to receive such financial aid, make**
27 **satisfactory academic progress toward a recognized degree or**
28 **certificate, as determined by the Board of Regents.**

29 3. **Financial aid awarded to a student pursuant to the**
30 **program must be used only:**

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

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

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

36 4. **If the Board of Regents establishes a program, the**
37 **program must include a requirement that each eligible institution**
38 **award a separate grant or scholarship, from money of the eligible**
39 **institution available for this purpose, for each semester to each**
40 **student receiving a grant or scholarship pursuant to the program**
41 **for that semester. The amount of the separate grant or scholarship**
42 **must be at least equal to 25 percent of the amount of the grant or**
43 **scholarship awarded pursuant to the program for the same period.**
44 **All requirements for acceptance and use of grants and**
45 **scholarships from the program apply equally to the acceptance**



1 *and use of a separate grant or scholarship awarded pursuant to*
2 *the requirements adopted in accordance with this section.*

3 *5. If the Board of Regents establishes a program, the Board*
4 *of Regents must, on or before February 1 of each odd-numbered*
5 *year, submit a written report to the Director of the Legislative*
6 *Counsel Bureau for transmittal to the next regular session of the*
7 *Legislature which includes, without limitation, for each year of*
8 *the biennium:*

9 *(a) The amount of money deposited in the Fund for Financial*
10 *Aid created by section 5 of this act;*

11 *(b) The amount of money expended for the award of financial*
12 *aid pursuant to the program; and*

13 *(c) By eligible institution:*

14 *(1) The number of students who received an award of*
15 *financial aid pursuant to the program; and*

16 *(2) The average amount of each such award.*

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

18 120A.620 1. There is hereby created in the State General
19 Fund the Abandoned Property Trust Account.

20 2. All money received by the Administrator under this chapter,
21 including the proceeds from the sale of abandoned property, must be
22 deposited by the Administrator in the State General Fund for credit
23 to the Account.

24 3. Before making a deposit, the Administrator shall record the
25 name and last known address of each person appearing from
26 the holders' reports to be entitled to the abandoned property and the
27 name and last known address of each insured person or annuitant,
28 and with respect to each policy or contract listed in the report of an
29 insurance company, its number, the name of the company and the
30 amount due. The record must be available for public inspection at
31 all reasonable business hours.

32 4. The Administrator may pay from money available in the
33 Account:

34 (a) Any costs in connection with the sale of abandoned property.

35 (b) Any costs of mailing and publication in connection with any
36 abandoned property.

37 (c) Reasonable service charges.

38 (d) Any costs incurred in examining the records of a holder and
39 in collecting the abandoned property.

40 (e) Any valid claims filed pursuant to this chapter.

41 *5. The portion of money in the Account generated from*
42 *annual audits conducted by national audit firms on behalf of the*
43 *State of Nevada must, after subtracting the total amount of the*
44 *costs incurred by the State Treasurer to identify and recover*



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1 *the abandoned property, be transferred quarterly to the Fund for*
2 *Financial Aid created by section 5 of this act.*

3 **6.** Except as otherwise provided in *subsection 5 and* NRS
4 120A.610, by the end of each fiscal year, the balance in the Account
5 must be transferred as follows:

6 (a) The first \$7,600,000 each year must be transferred to the
7 Millennium Scholarship Trust Fund created by NRS 396.926.

8 (b) The remainder must be transferred to the State General Fund,
9 but remains subject to the valid claims of holders pursuant to NRS
10 120A.590 and owners pursuant to NRS 120A.640. No such claim
11 may be satisfied from money in the Millennium Scholarship Trust
12 Fund.

13 ~~6.1~~ **7.** If there is an insufficient amount of money in the
14 Account to pay any cost or charge pursuant to subsection 4,
15 the State Board of Examiners may, upon the application of the
16 Administrator, authorize a temporary transfer from the State General
17 Fund to the Account of an amount necessary to pay those costs or
18 charges. The Administrator shall repay the amount of the transfer as
19 soon as sufficient money is available in the Account.

20 **Sec. 9.** This act becomes effective on July 1, 2013.

