

SENATE JOINT RESOLUTION NO. 6—COMMITTEE ON FINANCE

(ON BEHALF OF THE NEVADA YOUTH LEGISLATURE)

FEBRUARY 13, 2013

Referred to Committee on Finance

**SUMMARY**—Proposes to amend the Nevada Constitution to create the Governor Guinn Millennium Scholarship Trust Fund. (BDR C-47)

**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.

**SENATE JOINT RESOLUTION**—Proposing to amend the Nevada Constitution to create the Governor Guinn Millennium Scholarship Trust Fund in the State Treasury.

**Legislative Counsel’s Digest:**

Existing law establishes the Governor Guinn Millennium Scholarship Program to provide financial assistance to qualified students who attend an eligible institution of higher education in this State. Governor Guinn Millennium Scholarships are awarded from money in the Millennium Scholarship Trust Fund, which was created in the State Treasury to receive a percentage of the proceeds from settlement agreements with and civil actions against manufacturers of tobacco products and certain other funds. Under existing law, Governor Guinn Millennium Scholarships are awarded to all students who either: (1) graduated and maintained at least a B grade point average in core curriculum in a public or private high school in this State; (2) received a certificate of completion or diploma from a program of homeschool study; or (3) received a certificate of educational equivalence. Existing law further requires the student to be enrolled in a minimum number of credits of nonremedial courses at an eligible institution and apply for the scholarship within 6 years after the student was regularly scheduled to graduate from high school. The existing Scholarship Program also provides that each student who is eligible to receive a Millennium Scholarship is entitled to receive the same dollar value for each credit at the particular institution in which the student is enrolled and the total lifetime value per student of a Millennium Scholarship is currently limited to \$10,000. Existing law also requires each student who receives a Millennium Scholarship to make satisfactory academic progress toward a recognized degree or certificate and maintain a minimum grade point average to continue receiving the Millennium Scholarship. (NRS 396.911-396.945)



This joint resolution proposes to amend the Nevada Constitution to add a new section to Article 11 to create the Governor Guinn Millennium Scholarship Trust Fund in the Constitution and give the Legislature a constitutional duty to provide for the Governor Guinn Millennium Scholarship Program. This joint resolution includes general requirements for the Scholarship Program similar to the current requirements that would provide for the continuation of the Scholarship Program that is currently required by statute. This joint resolution, however, removes the requirement that a student have maintained at least a B grade point average and instead allows the Legislature to determine the level of academic performance that must be achieved to qualify for a scholarship. In addition, this joint resolution requires all money deposited into the Governor Guinn Millennium Scholarship Trust Fund to be used only for the purpose of distributing Governor Guinn Millennium Scholarships, with certain limited exceptions. This joint resolution also provides for the sources of funding for the Trust Fund by requiring the State Treasurer to deposit into the Trust Fund: (1) at least 40 percent of the proceeds from settlement agreements with and civil actions against manufacturers of tobacco products; (2) any gifts, grants, bequests or donations designated by the donor for the Trust Fund; and (3) any money appropriated by the Legislature to the Trust Fund. This joint resolution further continues to allow for the creation of certain memorial funds, such as the Kenny Guinn Memorial Fund, with accounts which are within the Trust Fund but accounted for separately and used for the stated purpose of the particular account.

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RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That a new section, designated Section 11, be added to Article 11 of the Nevada Constitution to read as follows:

*Sec. 11. 1. The Governor Guinn Millennium Scholarship Trust Fund is hereby created in the State Treasury. Except as otherwise provided in subsections 6, 7 and 8, all money deposited into the Trust Fund must be used only for the purpose of providing Governor Guinn Millennium Scholarships in accordance with the Governor Guinn Millennium Scholarship Program and must never be used for any other purpose. The money in the Trust Fund is hereby declared to be held by the State in trust for the uses and purposes herein specified. Any money deposited into the Trust Fund must not be loaned to the State or invested to purchase any obligations of the State.*

*2. The State Treasurer shall deposit in the Governor Guinn Millennium Scholarship Trust Fund:*

*(a) At least 40 percent of the proceeds from settlement agreements with and civil actions against manufacturers of tobacco products or an equivalent percentage of the total proceeds coming into this State for those purposes.*

*(b) Any gifts, grants, bequests or donations specifically designated for the Trust Fund by the donor.*

*(c) Any money appropriated by the Legislature to the Trust Fund.*



1       3. The Legislature shall provide by law for the  
2 Governor Guinn Millennium Scholarship Program to  
3 provide Governor Guinn Millennium Scholarships, which  
4 are intended to assist with the reasonable costs associated  
5 with attending an institution of higher education in this  
6 State, to all residents who:

7       (a) Are recent graduates from high schools in this State  
8 with a diploma and who have achieved a level of academic  
9 performance established by the Legislature or have not  
10 graduated from high school but have met the alternative  
11 standards for eligibility established by the Board of Regents  
12 for demonstrating an educational level which is an  
13 acceptable substitute for completing high school;

14       (b) Are enrolled in nonremedial undergraduate courses  
15 at an accredited, nonprofit, nonsectarian university, college  
16 or community college originally established in and  
17 organized under the laws of this State; and

18       (c) After the initial award, continue to make satisfactory  
19 academic progress toward a recognized degree or certificate.

20       4. In carrying out the Governor Guinn Millennium  
21 Scholarship Program, the Legislature shall:

22       (a) Establish the maximum lifetime total award for each  
23 scholarship.

24       (b) Provide that a scholarship must not be used to pay  
25 for a remedial course.

26       (c) Provide that the same amount must be paid for the  
27 enrollment of recipients who enroll in the same type of  
28 institution of higher education.

29       5. The Legislature shall provide by law for the  
30 investment of money deposited in the Governor Guinn  
31 Millennium Scholarship Trust Fund. Notwithstanding the  
32 provisions of Section 9 of Article 8 of this Constitution, such  
33 money may be invested in a company, association or  
34 corporation that is not formed for educational or charitable  
35 purposes if determined by the State Treasurer to be in the  
36 best interest of the State.

37       6. The Legislature may provide for the establishment of  
38 additional accounts within the Governor Guinn Millennium  
39 Scholarship Trust Fund from other sources of money.  
40 Money in such accounts, if established, must be used to  
41 award scholarships other than the Governor Guinn  
42 Millennium Scholarships. If the source of the money is a  
43 gift, grant, donation, bequest or devise, the money must be  
44 expended, to the extent permitted by law, in accordance with  
45 the terms of the gift, grant, donation, bequest or devise.



1           7. *All interest and income earned on the money in the*  
2 *Governor Guinn Millennium Scholarship Trust Fund must,*  
3 *after deducting any applicable charges, be credited to the*  
4 *Trust Fund.*

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