

SENATE BILL NO. 494—COMMITTEE ON EDUCATION

(ON BEHALF OF THE COMMITTEE TO CONDUCT AN INTERIM  
STUDY CONCERNING COMMUNITY COLLEGES)

MARCH 23, 2015

Referred to Committee on Education

SUMMARY—Creates the College Grant Program. (BDR 34-593)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Contains Appropriation not included  
in Executive Budget.

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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; creating the College Grant Program; providing for the calculation and award of grants under the Program to qualified students enrolled in community colleges and state colleges of the Nevada System of Higher Education; requiring the Board of Regents of the University of Nevada to submit to the Legislature a biennial report on the Program; making an appropriation; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

This bill creates the College Grant Program. Under the Program, the Board of Regents of the University of Nevada is required to award grants to eligible students who are enrolled in community colleges and state colleges that are part of the Nevada System of Higher Education to pay for a portion of the cost of education at such institutions. **Section 4** of this bill sets forth the criteria for eligibility for such a grant. **Section 5** of this bill requires the Board of Regents or a designee of the Board to: (1) calculate the maximum amount of the grant which a student is eligible to receive; (2) determine the actual amount each eligible student will receive; and (3) make grants to all eligible students. **Section 5** provides that any money awarded under the Program must be used only to pay the cost of education of a student and not for any other purpose. **Section 6** of this bill requires the Board of Regents to: (1) allocate the grants among the community colleges and state colleges according to student enrollment; and (2) adopt regulations prescribing the procedures and standards for determining eligibility and the methodology for calculating the financial need of a student. **Section 7** of this bill authorizes the Board of Regents to accept gifts, grants, bequests and donations to fund grants awarded under the Program.



**Section 8** of this bill requires the Board of Regents to submit a biennial report on the Program to the Legislature. The report must include information regarding: (1) the number of grants awarded under the Program; (2) the average amount of each grant; and (3) the percentage of students awarded grants who remained in school and who eventually earned a degree or certificate.

Finally, **section 10** of this bill includes appropriations from the State General Fund to the Board of Regents for the award of grants in the amount of \$2.5 million per year for Fiscal Years 2015-2016 and 2016-2017.

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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 8, inclusive, of this act.

**Sec. 2.** *As used in sections 2 to 8, inclusive, of this act, unless the context otherwise requires, "Program" means the College Grant Program created by section 4 of this act.*

**Sec. 3.** *The Legislature hereby finds and declares that:*

*1. Nevada ranks lowest among all states in the percentage of students from low-income families attending community colleges or state colleges.*

*2. The percentage of family income required to pay for a student to attend a community college in Nevada for 1 year, including tuition, fees and room and board, is among the highest in the nation.*

*3. There is an urgent need in Nevada for a state-supported, need-based grant program to encourage more students from low-income families to attend college and earn a degree.*

**Sec. 4.** *1. The College Grant Program is hereby created for the purpose of awarding grants to eligible students to pay for a portion of the cost of education at a community college or state college within the System.*

*2. The Board of Regents shall administer the Program.*

*3. In administering the Program, the Board of Regents shall for each semester, subject to the limits of money available for this purpose, award a grant to each eligible student to pay for a portion of the cost of education at a community college or state college within the System.*

*4. To be eligible for a grant awarded under the Program, a student must:*

*(a) Have graduated from high school or provide proof of successful completion of a high school equivalency assessment.*

*(b) Be enrolled, or accepted to be enrolled, during a semester in at least 15 credit hours at a community college or state college within the System;*



(c) Be enrolled in a program of study leading to a recognized degree or certificate;

(d) Demonstrate proficiency in English and mathematics sufficient for placement into college-level English and mathematics courses pursuant to regulations adopted by the Board of Regents for such placement;

(e) Be a bona fide resident of the State of Nevada for the purposes of determining pursuant to NRS 396.540 whether the student is assessed a tuition charge; and

(f) Complete the Free Application for Federal Student Aid provided for by 20 U.S.C. § 1090.

**Sec. 5. 1.** For each eligible student, the Board of Regents or a designee thereof shall:

(a) Calculate the maximum amount of the grant which the student is eligible to receive. The maximum amount of such a grant must not exceed the lesser of:

(1) Two thousand dollars per semester; or

(2) An amount equal to the cost of education of the student minus the amounts determined for the student contribution, family contribution and federal contribution to the cost of education of the student.

(b) Determine the actual amount of the grant which will be awarded to each student, which amount must not exceed the maximum amount calculated pursuant to paragraph (a), but which may be in a lesser amount if the Board of Regents or a designee thereof, as applicable, determines that the amount of money available for all grants for any semester is insufficient to award to all eligible students the maximum amount of the grant which each student is eligible to receive.

(c) Award to each eligible student a grant in the amount determined pursuant to paragraph (b).

**2.** Money received from a grant awarded under the Program must be used by a student only to pay for the cost of education of the student at a community college or state college within the System and not for any other purpose.

**Sec. 6. 1.** The Board of Regents:

(a) Shall allocate the amount of money available for all grants among the community colleges and state colleges within the System, according to the number of students enrolled in each community college or state college.

(b) Shall adopt regulations prescribing the procedures and standards for determining the eligibility of a student for a grant from the Program.

(c) Shall adopt regulations prescribing the methodology by which the Board of Regents or a designee thereof will calculate:



(1) The cost of education of a student at each community college and state college within the System, which must be consistent with the provisions of 20 U.S.C. § 1087ll.

(2) For each student, the amounts of the student contribution, family contribution and federal contribution to the cost of education of the student.

(3) The maximum amount of the grant for which a student is eligible.

(d) May adopt any other regulations necessary to carry out the Program.

2. The regulations prescribed pursuant to this section must provide that:

(a) From the amount of money allocated by the Board of Regents to each community college and state college within the System, grants from the Program will be made to eligible students in the order of their application for a grant.

(b) In determining the student contribution to the cost of education, the student contribution must not exceed the amount that the Board of Regents determines the student reasonably could be expected to earn from employment during the time the student is enrolled at a community college or state college within the System, including, without limitation, during breaks between semesters. This paragraph and any regulations adopted pursuant to this section must not be construed to require a student to seek or obtain employment as a condition of eligibility for a grant under the Program.

(c) Determination of the family contribution to the cost of education must be based on the family resources reported in the Free Application for Federal Student Aid submitted by the student.

(d) Determination of the federal contribution to the cost of education must be equal to the total amount that the student and his or her family are expected to receive from the Federal Government as grants.

**Sec. 7.** In addition to any direct legislative appropriation from the State General Fund, the Board of Regents may accept gifts, grants, bequests and donations to fund grants awarded under the Program.

**Sec. 8.** On or before February 1 of each odd-numbered year, the Board of Regents shall submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a written report on the Program which must include, without limitation, information regarding:

1. The number of students during the immediately preceding school year who were awarded grants under the Program.



2. *The average amount of each grant awarded under the Program for the immediately preceding school year.*

3. *The success of the Program, including, without limitation, information regarding the percentage of students awarded grants since the creation of the Program who have remained enrolled at a community college or state college within the System and the percentage of students awarded grants since the creation of the Program who have been awarded a degree or certificate.*

**Sec. 9.** The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

**Sec. 10.** There is hereby appropriated from the State General Fund to the Board of Regents of the University of Nevada for the award of grants pursuant to the College Grant Program created by section 4 of this act:

|                                    |             |
|------------------------------------|-------------|
| For the Fiscal Year 2015-2016..... | \$2,500,000 |
| For the Fiscal Year 2016-2017..... | \$2,500,000 |

**Sec. 11.** Any remaining balance of the appropriation made by section 10 of this act must not be committed for expenditure after June 30, 2017, by the Board of Regents of the University of Nevada or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 15, 2017, by either the Board of Regents of the University of Nevada or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 15, 2017.

**Sec. 12.** This act becomes effective:

1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and

2. On July 1, 2015, for all other purposes.

