

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 1, 2017

Agency Submitting: Nevada System of Higher Education

| Items of Revenue or Expense, or Both | Fiscal Year 2016-17 | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Effect on Future Biennia |
|--------------------------------------|---------------------|---------------------|---------------------|--------------------------|
| Professional Salary (Expense) | | \$695,580 | \$700,971 | \$1,069,142 |
| Classified Salary (Expense) | | \$31,090 | \$32,343 | \$68,758 |
| Fringe (Expense) | | \$244,119 | \$247,684 | \$443,504 |
| Operating (Expense) | | \$16,000 | \$13,479 | \$15,760 |
| Total | 0 | \$986,789 | \$994,477 | \$1,597,164 |

Explanation

(Use Additional Sheets of Attachments, if required)

If enacted, the proposed legislation would have a fiscal impact on the Nevada System of Higher Education (NSHE), specifically on the community colleges. This bill requires each community college to award Nevada Promise Scholarships based utilizing criteria options included in the proposed legislation, develop an appeals process, facilitate background checks of those applying to serve as mentors, request disbursements from the State Treasurer based on the actual registration and mandatory fees charged to eligible scholarship recipients, and maintain required records for 10 years, following the final semester of student participation in the scholarship program. Additionally each community college or a local partnering agency is required to provide training to mentors and students who intend to participate in the scholarship program and establish a mentoring program. The Board of Regents is required to prepare an annual report to the Legislature, reflecting the reporting criteria proposed in the legislation. Implementation costs vary based by institution. Additional staffing include: CSN - 4 FTE; GBC - 2 FTE and 5 full-time faculty; TMCC - 1.5 FTE; and WNC - 0.5 FTE. Additional costs include start up costs for new FTE and background checks for mentors.

As presented, this fiscal note addresses only the staff needed to administer the Promise Program and does not include an estimate of the dollars needed to serve all students eligible for the scholarship. Additional state funding would be needed to support the awarding of Promise scholarships to eligible students, dependent upon how award amounts are determined pursuant to Section 16, whereby institutions may establish a maximum award; serve eligible students on a first come basis; or establish additional eligibility criteria.

Name Heidi HaartzTitle Assistant Budget Director**GOVERNOR'S OFFICE OF FINANCE COMMENTS**Date Tuesday, March 28, 2017

The agency's response appears reasonable.

Name Susan BrownTitle Executive Budget Officer