

**MINUTES OF THE  
SENATE COMMITTEE ON JUDICIARY**

**Eightieth Session  
February 25, 2019**

The Senate Committee on Judiciary was called to order by Chair Nicole J. Cannizzaro at 8:09 a.m. on Monday, February 25, 2019, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Nicole J. Cannizzaro, Chair  
Senator Dallas Harris, Vice Chair  
Senator James Ohrenschall  
Senator Marilyn Dondero Loop  
Senator Melanie Scheible  
Senator Scott Hammond  
Senator Ira Hansen  
Senator Keith F. Pickard

**STAFF MEMBERS PRESENT:**

Patrick Guinan, Policy Analyst  
Nicolas Anthony, Committee Counsel  
Andrea Franko, Committee Secretary

**OTHERS PRESENT:**

Zack Conine, State Treasurer  
Greg Bortolin, Department of Education  
Kanani Espinoza  
Andy MacKay, Executive Director, Nevada Franchised Auto Dealers Association  
Erica Mosca, Executive Director, Leaders in Training  
Nestor Sanchez, Leaders in Training  
John T. Jones, Jr., Nevada District Attorneys Association  
Paul Moradkhan, Las Vegas Metro Chamber of Commerce  
Anthony Ruiz, Nevada State College

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Alan Cruz, Leaders in Training  
Alexander Avila, Human Rights Campaign  
Alex Bybee  
Nova Murray, Deputy Administrator, Division of Welfare and Supportive  
Services, Department of Health and Human Services

CHAIR CANNIZZARO:  
I will open the hearing on Senate Bill (S.B.) 75.

**SENATE BILL 75**: Establishes the procedure for pursuing the redemption of  
unclaimed United States savings bonds by the State Treasurer.  
(BDR 10-478)

ZACH CONINE (State Treasurer):  
Senate Bill 75 creates a procedure by which the Treasurer's Office Unclaimed  
Property Program can take title to unclaimed U.S. Savings Bonds from the U.S.  
Treasury in order to reunite Nevadans with their missing money.

Pursuant to *Nevada Revised Statutes* (NRS) 120A, the Treasurer's Office serves  
as administrator of Nevada's Unclaimed Property Program. In this role, the office  
takes custody of lost or abandoned property from individuals or business  
owners and works to reunite it with its rightful Nevada owners. When property  
cannot be reunited with its owner, it is held in trust in perpetuity. The  
Treasurer's Office is holding \$413,000 in unclaimed U.S. Savings Bonds, which  
primarily comes from abandoned safety deposit boxes. According to the federal  
government, approximately \$26 billion in U.S. Savings Bonds nationwide are  
unclaimed or abandoned with Nevadans due a percentage.

In order for the Treasurer's Office to properly locate and notify Nevadans of  
missing U.S. Savings Bonds, Nevada must be able to take legal title of the  
bonds from the federal government. Senate Bill 75 allows for this process by  
providing any outstanding U.S. Savings Bonds held by the State escheat to the  
State. Senate Bill 75 will allow the State to commence civil action to gain legal  
title to these bonds as well as outstanding matured bonds due to the residents  
of Nevada held by the federal government.

No federal program exists where owners of unclaimed U.S. Savings Bonds are  
reunited with their missing property owners. Nationally, approximately 20 states  
have adopted similar legislation. South Dakota and Iowa have pending bills. In

2000, Kansas was the first state to pass legislation and take title of bonds. If passed, S.B. 75 would allow Nevadans the same opportunity to recover missing money.

CHAIR CANNIZZARO:

We will close the hearing on S.B. 75 and open the hearing on Senate Bill 44.

**SENATE BILL 44**: Revises provisions of the Uniform Unclaimed Property Act.  
(BDR 10-480)

TREASURER CONINE:

Senate Bill 44 makes technical changes to Nevada's unclaimed property statute in an effort to modernize and align Nevada's unclaimed property laws with national best practices and the Uniform Law Commission's 2016 Revised Uniform Unclaimed Property Act ([Exhibit C](#)).

Senate Bill 44 establishes a permanent funding solution for the Governor Guinn Millennium Scholarship (GGMS). Pursuant to NRS 120A, the Treasurer's Office administers Nevada's Unclaimed Property Act. The office takes custody of lost or abandoned property from individuals or business holders and works to reunite property with its rightful owners. When property cannot be reunited with owners, it is held in trust in perpetuity.

Our office is proposing an amendment to the implementation date of the proposed funding solution for the Millennium Scholarship ([Exhibit D](#)).

Section 13 of S.B. 44 creates a permanent funding solution for the GGMS by transferring funds remaining in the unclaimed property trust account to the GGMS trust fund each fiscal year beginning in fiscal year 2022. In 1999, former Governor Kenny Guinn proposed an unprecedented opportunity for Nevadans to receive a college education. The idea was simple: provide \$10,000 to Nevada students attending a State of Nevada higher education institution.

To date, \$70 million in General Fund monies have been appropriated to support the GGMS, including \$20 million in the last biennium. Governor Steve Sisolak has budgeted \$33 million to cover the deficit in the next 2 years.

Ongoing one-shot appropriations are risky. We believe the Millennium Scholarship needs a permanent funding solution. We have proposed a new

funding structure. The new structure will also allow the Millennium Scholarship Trust Fund to operate under an endowment model and eventually become self-sustaining so General Fund dollars can be used for other purposes. By transferring the remaining balance of the unclaimed property trust account, we will fund the annual deficit, but we will have the ability to save and invest in a permanent and stable solution. Depending on growth, we believe the program can become self-sufficient in 7 to 10 years and save the State at least \$90 million over the next 20 years.

Senate Bill 44 provides a fiscally responsible mechanism to support the GGMS.

SENATOR PICKARD:  
How much is the General Fund impacted?

TREASURER CONINE:  
Depending on the biennium, \$10 million to \$15 million a year, or \$30 million over the biennium.

SENATOR PICKARD:  
If we made a \$20 million one-time appropriation last biennium, it is \$27 million total for the Scholarship. Is it expected to increase?

TREASURER CONINE:  
The GGMS expenditures this year are expected to be \$37 million. We have about \$23 million from 2 appropriations—\$7.6 million from unclaimed property and \$15,250,000 from the tobacco settlement. The delta in the \$16 million or so plus about \$10 million to \$15 million equals the transfer from unclaimed property; we fill the deficit and begin filling the endowment at that rate.

SENATOR DONDERO LOOP:  
How many students have been helped?

TREASURER CONINE:  
The Millennium Scholarship has assisted 124,855 students.

CHAIR CANNIZZARO:  
We talked about how many students were benefitting from the Scholarship. Can you talk about the effects of the policy change on the ability to serve more students or provide more money?

TREASURER CONINE:

It separates two conversations. The funding mechanism becomes solvent and perpetual which allows policy experts to come up with the most effective use of the Scholarship instead of constantly figuring out how to pay for it.

CHAIR CANNIZZARO:

The scholarship pays \$80 per credit. When I went to college, the rate was \$82 per credit. The money was a significant help. Since the amount has not changed, it is not as helpful to students. Hopefully, we can look at solutions in order to get Scholarship money to students who need it.

GREG BORTOLIN (Department of Education):

It is critical that you pass S.B. 44. This will ensure the Scholarship has the funding it needs so that our best and brightest students attend college in Nevada and provide the leadership Nevada needs to succeed in tomorrow's global economy.

KANANI ESPINOZA:

I support S.B. 44 to encourage the future students of Nevada to have opportunities for higher education and continue to grow Nevada.

ANDY MACKAY (Executive Director, Nevada Franchised Auto Dealers Association):

We support S.B. 44.

ERICA MOSCA (Executive Director, Leaders in Training):

I support S.B. 44 as a practitioner in the field.

NESTOR SANCHEZ (Leaders in Training):

I support S.B. 44.

JOHN T. JONES, JR. (Nevada District Attorneys Association):

We support S.B. 44.

PAUL MORADKHAN (Las Vegas Metro Chamber of Commerce):

The Chamber supports this bill. We are primarily interested in section 13.

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ANTHONY RUIZ (Nevada State College):  
Nevada State College supports S.B. 44 which creates a stable funding source for the Millennium Scholarship.

ALAN CRUZ (Leaders in Training):  
I support S.B. 44 for a more permanent funding of the Millennium Scholarship.

ALEXANDER AVILA (Human Rights Campaign):  
I support S.B. 44 in order to continue funding the Millennium Scholarship.

ALEX BYBEE:  
I am testifying in favor of S.B. 44 ([Exhibit E](#)).

NOVA MURRAY (Deputy Administrator, Division of Welfare and Supportive Services, Department of Health and Human Services):  
We are neutral on S.B. 44. I am speaking to section 14 of the bill. This bill will increase child support collections for Nevada's families.

Remainder of page intentionally left blank; signature page to follow.

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CHAIR CANNIZZARO:

Since there is no more testimony or public comment, we will close this hearing at 8:43 a.m.

RESPECTFULLY SUBMITTED:

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Andrea Franko,  
Committee Secretary

APPROVED BY:

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Senator Nicole J. Cannizzaro, Chair

DATE: \_\_\_\_\_

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	4		Attendance Roster
S.B. 44	C	8	State Treasurer Zach Conine	Presentation
S.B. 44	D	1	State Treasurer Zach Conine	Proposed Amendment
S.B. 44	E	2	Alex Bybee	Written Testimony