

**MINUTES OF THE
SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS**

**Eighty-first Session
March 18, 2021**

The Senate Committee on Legislative Operations and Elections was called to order by Chair James Ohrenschall at 3:31 p.m. on Thursday, March 18, 2021, Online. [Exhibit A](#) is the Agenda. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator James Ohrenschall, Chair
Senator Roberta Lange, Vice Chair
Senator Heidi Seevers Gansert
Senator Carrie A. Buck

COMMITTEE MEMBERS ABSENT:

Senator Nicole J. Cannizzaro (Excused)

GUEST LEGISLATORS PRESENT:

Senator Moises Denis, Senatorial District No. 2

STAFF MEMBERS PRESENT:

Michael Stewart, Policy Analyst
Bryan Fernley, Counsel
Diane Rea, Committee Secretary

OTHERS PRESENT:

Zach Conine, State Treasurer
Kanani Espinoza, Nevada System of Higher Education
Erica Valdriz, Vegas Chamber
Sabra Newby, University of Nevada, Las Vegas
Kent Ervin, Nevada Faculty Alliance
Hawah Ahmad, Clark County Education Association

CHAIR OHRENSCHALL:

We will open the hearing on Senate Bill (S.B.) 128.

SENATE BILL 128: Directs the State Treasurer to conduct a study concerning publicly funded scholarship and grant programs in this State. (BDR S-535)

SENATOR MOISES DENIS (Senatorial District No. 2):

For years, we have known that publicly funded scholarships and grant programs have competed for the same money. We must be more mindful of where public funds are allocated to ensure we reach the most students with the highest need. There is less money available for critical scholarships and grants.

The Governor Guinn Millennium Scholarship (GGMS), Nevada Promise Scholarship and Silver State Opportunity Grant programs are important to Nevada students. The effectiveness and success of these scholarships are critical to their ongoing viability. A review of publicly funded scholarship and grant programs is necessary to ensure that the funds meet the needs of Nevada students for whom they were intended.

The goal of S.B. 128 is to provide greater insight into the effectiveness of these scholarship and grant programs in Nevada and provide recommendations for improvements to ensure public scholarship dollars meet their intended use.

The bill requires the State Treasurer to contract with one or more qualified independent consultants to conduct a study concerning the effectiveness of publicly funded scholarship and grant programs in Nevada for persons pursuing higher education. The study must include a comprehensive review of student outcomes for scholarship and grant recipients to include graduation and drop-out rates, as well as an evaluation in the way such programs are administered. The study must include a thorough evaluation of short-term and long-term financial viability of these programs and the projected future costs of their administration.

The review may include any other matters the State Treasurer, in consultation with the Nevada System of Higher Education, determines are relevant to the study.

Senate Bill 128 sets an April 1, 2022, deadline for submitting a report and findings to the Legislative Committee on Education. This report will include

recommendations for improving the effectiveness and efficiency of publicly funded scholarship and grant programs; improving student outcomes for scholarship and grant recipients; and reduction of administrative costs for each scholarship or grant program.

The Legislative Committee on Education must review the report and recommendations as well as consult and solicit input from persons and entities charged with administering publicly funded scholarship and grant programs. The Committee must consider the report and recommendations when requesting the drafting of legislative measures.

No fiscal note is included as this bill specifies the cost of the study must be paid from the Endowment Account created by the State Treasurer under *Nevada Revised Statutes* (NRS) 353B.350.

This bill will provide for a much needed and overdue review of our critical scholarship and grant programs which offer support for higher education students.

ZACH CONINE (State Treasurer):

The Office of the State Treasurer oversees critical State functions including administration of the GGMS in coordination with the Nevada System of Higher Education. This scholarship has helped 143,656 students pay for college over 21 years in existence. The population of Nevada is growing and an increasing number of GGMS scholarships are awarded each year. Along with the rising number of publicly funded grants, this creates the necessity for the analysis of the effectiveness and longevity of all publicly funded scholarship and grant programs.

The State will not just look at the financial aspects of the programs but also the administrative processes and whether they are meeting the intended outcomes. Are the students served by the scholarships and grants going on to graduate with a degree? Are they getting jobs in their intended fields? Are they able to be employed after graduation?

The study will conclude with recommendations programmatic, administrative or financial for consideration by the Legislative Committee on Education for legislation during the 2023 Session.

In section 1, subsection 5, we have proposed the study be funded from the College Savings Endowment Account, which is administered by the Treasurer's Office. That Account is funded by program fees that are received from the companies that administer Nevada's College Savings 529 Plan and are restricted to education purposes. No General Fund dollars will be utilized.

CHAIR OHRENSCHALL:

The language on page 2 of the bill, section 1, subsection 1, paragraph (d) says, "An evaluation of any other matter that the State Treasurer, in consultation with the Nevada System of Higher Education, determines is relevant to the study." The language leaves it so things can be looked at which are not enumerated in the bill. Do you think you might look at the Western Interstate Commission for Higher Education and how that is effective for students to go to neighboring states to attend school?

SENATOR DENIS:

The main purpose of this bill is to look at the programs Nevada funds. At some point, we have to find a permanent solution for funding Nevada's scholarships and grants. We need to make sure they are being run efficiently and accomplishing what they are intended for.

TREASURER CONINE:

We have not talked about expanding, but the flexibility of the language allows us to expand or contract the program and study based on what we think will be effective as we proceed. The focus is on what the State pays for and making sure those dollars are being spent for the highest return on investment.

SENATOR SEEVERS GANSERT:

The Universities of Nevada, Reno and Las Vegas, have many scholarships they administer internally, not through the State. Will you be looking at any of those?

SENATOR DENIS:

The flexibility is there to look at those scholarships. If the scope gets too big, it would be more than what we want to spend. These particular scholarships are ones the State funds every two years. All the programs offered at each institution should have this type of scrutiny to ensure they are working.

TREASURER CONINE:

We need to start with the programs the State pays for and operates, then expand from there to look at institutional spending. There are probably hundreds of programs at different institutions that are specific to different groups. Comparing all of those would probably not be effective, but we can look at test cases for money going into the institutions and passed on for scholarships and the efficacy of those programs.

SENATOR SEEVERS GANSERT:

There might be an opportunity to ask for reporting of all scholarships in the categories retention and graduation rates.

KANANI ESPINOZA (Nevada System of Higher Education):

These established scholarships are crucial to our students and provide better access to the recipients. We are committed to maximizing State education support funding and ensuring the smooth process for incoming students and their families.

ERICA VALDRIZ (Vegas Chamber):

The Vegas Chamber supports the initiative providing for the comprehensive review of Nevada's scholarships and grants and their effectiveness. We will continue to support the scholarship and grant programs in Nevada. We believe these would optimize aid for students in higher education.

SABRA NEWBY (University of Nevada, Las Vegas):

CollegeNET recently ranked the University of Nevada, Las Vegas, in the top 10 percent nationally in the social mobility index. This shows the impact education has on the future earnings and lives of our students, particularly students coming from low-income families or who are first generation college attendees. Scholarships can make a large difference in our college attendance and completion. It is essential the scholarship programs are kept financially viable and effective.

KENT ERVIN (Nevada Faculty Alliance):

We work to help students succeed. This type of study is the best way to use and deploy the funds available and guarantee these programs have a long and secured future. An important item for the study to look at is hurdles students have when applying for programs or maintaining eligibility. The effect on diverse populations brings students to self-identify as being cash-poor which makes

these programs vital. The interactions among the programs can cause the students to drop another program.

HAWAH AHMAD (Clark County Education Association):

The Clark County Education Association represents more than 18,000 licensed professionals in the Clark County School District. We are neutral on S.B. 128 because students from Nevada's K-12 schools matriculate into Nevada's System of Higher Education. When we discuss scholarships, we must acknowledge that due to the COVID-19 pandemic, Nevada's first generation and English Language Learners are experiencing a decrease in college enrollment. To ensure students of all backgrounds continue to see higher education as a possibility, K-12 should be included. This will make sure the money is spent in the most impactful way.

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Senate Committee on Legislative Operations and Elections
March 18, 2021
Page 7

CHAIR OHRENSCHALL:

There being no further business, this meeting is adjourned at 4:02 p.m.

RESPECTFULLY SUBMITTED:

Diane Rea,
Committee Secretary

APPROVED BY:

Senator James Ohrenschall, Chair

DATE: _____

| EXHIBIT SUMMARY | | | | |
|-----------------|----------------|----------------|------------------|-------------|
| Bill | Exhibit Letter | Begins on Page | Witness / Entity | Description |
| | A | 1 | | Agenda |