

SENATE BILL NO. 499—COMMITTEE ON FINANCE

MAY 18, 2023

Referred to Committee on Finance

SUMMARY—Revises provisions governing expenditures from the Endowment Account established in the State General Fund related to the Nevada College Savings Program. (BDR 31-1190)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to the Nevada College Savings Program revising provisions governing the use of money in the Endowment Account established in the State General Fund related to the Program; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires the State Treasurer to establish an Administrative
2 Account and an Endowment Account in the State General Fund to carry out the
3 State Treasurer’s duties with respect to the Nevada College Savings Program. The
4 Administrative Account is required to be used for the deposit and disbursement of
5 money to administer and market the Nevada College Savings Program as well as to
6 supplement the administration and marketing of the Nevada Higher Education
7 Prepaid Tuition Program. The Endowment Account is required to be used for the
8 deposit of any money received by the Nevada College Savings Program that is not
9 received pursuant to a savings trust agreement and which the State Treasurer
10 determines is not necessary for certain administration and marketing activities. The
11 State Treasurer is authorized to expend money in the Endowment Account for
12 purposes related to the funding of college savings accounts under the Nevada
13 College Kick Start Program, the Governor Guinn Millennium Scholarship Program,
14 administrative and marketing costs related to the Nevada Higher Education Prepaid
15 Tuition Program and the Nevada College Savings Program and programs for the
16 financial education of residents of this State. (NRS 353B.350)

17 This bill also authorizes money in the Endowment Account to be expended for
18 providing the Nevada ABLE Savings Program, for which the State Treasurer is
19 authorized to adopt regulations to establish and carry out. (NRS 427A.889) This
20 bill specifically provides that such money authorized for providing the programs for
21 financial education and the Nevada ABLE Savings Program may be used for: (1)
22 any costs related to administering such programs; (2) the costs of employing a



23 Deputy of Financial Literacy and Security; and (3) the costs of administering the
24 Nevada ABLE Savings Program. This bill additionally increases from 3 percent to
25 10 percent the maximum amount that may be expended for the costs of providing
26 those programs from money in the Endowment Account that: (1) was received
27 during the first fiscal year of the immediately preceding biennium by the Nevada
28 College Savings Program; (2) was not received pursuant to a savings trust
29 agreement; and (3) in the determination of the State Treasurer, was not necessary
30 for the use of the Administrative Account.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 353B.350 is hereby amended to read as
2 follows:

3 353B.350 1. The Trust Fund and any account established by
4 the State Treasurer pursuant to this section must be administered by
5 the State Treasurer.

6 2. The State Treasurer shall establish such accounts as he or
7 she determines necessary to carry out his or her duties pursuant to
8 NRS 353B.300 to 353B.370, inclusive, including, without
9 limitation:

10 (a) A Program Account in the Trust Fund; and

11 (b) An Administrative Account and an Endowment Account in
12 the State General Fund.

13 3. The Program Account must be used for the receipt,
14 investment and disbursement of money pursuant to savings trust
15 agreements.

16 4. The Administrative Account must be used for the deposit
17 and disbursement of money to administer and market the Nevada
18 College Savings Program and to supplement the administration and
19 marketing of the Nevada Higher Education Prepaid Tuition Program
20 set forth in NRS 353B.010 to 353B.190, inclusive.

21 5. In addition to the money transferred pursuant to NRS
22 353B.335 and deposited pursuant to NRS 353B.360, the
23 Endowment Account must be used for the deposit of any money
24 received by the Nevada College Savings Program that is not
25 received pursuant to a savings trust agreement and, in the
26 determination of the State Treasurer, is not necessary for the use of
27 the Administrative Account. Except as otherwise provided in NRS
28 353B.360, the money in the Endowment Account may be expended
29 for any purpose related to:

30 (a) The funding of accounts created under the Nevada College
31 Kick Start Program established pursuant to NRS 353B.335;

32 (b) The Governor Guinn Millennium Scholarship Program
33 created pursuant to NRS 396.926, including, without limitation, the
34 costs of administering the Program, but such costs must not exceed



1 an amount equal to 3 percent of the anticipated annual revenue to
2 the State of Nevada from the settlement agreements with and civil
3 actions against manufacturers of tobacco products anticipated for
4 deposit in the Trust Fund;

5 (c) The administrative costs, as approved by the Legislature or
6 the Interim Finance Committee, of activities related to the Nevada
7 Higher Education Prepaid Tuition Program set forth in NRS
8 353B.010 to 353B.190, inclusive, and the Nevada College Savings
9 Program set forth in NRS 353B.300 to 353B.370, inclusive,
10 including the Nevada College Kick Start Program;

11 (d) The costs of marketing related to the Nevada Higher
12 Education Prepaid Tuition Program set forth in NRS 353B.010 to
13 353B.190, inclusive, and the Nevada College Savings Program set
14 forth in NRS 353B.300 to 353B.370, inclusive, including the
15 Nevada College Kick Start Program, but such costs must not exceed
16 an amount equal to 7 percent of the money in the Endowment
17 Account, other than money deposited pursuant to NRS 353B.360,
18 that was received during the first fiscal year of the immediately
19 preceding biennium by the Nevada College Savings Program, was
20 not received pursuant to a savings trust agreement and, in the
21 determination of the State Treasurer, was not necessary for the use
22 of the Administrative Account;

23 (e) The costs of providing programs for the financial education
24 of residents of this State ~~§~~ *and the Nevada ABLE Savings*
25 *Program, including, without limitation, the costs related to*
26 *administering such programs, the costs of employing a Deputy of*
27 *Financial Literacy and Security pursuant to subsection 1 of NRS*
28 *226.100 and the costs of carrying out the provisions of NRS*
29 *427A.882 to 427A.896, inclusive, but such costs must not exceed an*
30 *amount equal to ~~§~~ 10 percent of the money in the Endowment*
31 *Account that was received during the first fiscal year of the*
32 *immediately preceding biennium by the Nevada College Savings*
33 *Program, was not received pursuant to a savings trust agreement*
34 *and, in the determination of the State Treasurer, was not necessary*
35 *for the use of the Administrative Account; or*

36 (f) The costs of carrying out the provisions of NRS 226.500 to
37 226.590, inclusive.

38 **Sec. 2.** This act becomes effective on July 1, 2023.

