

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 378** HLS 25RS 992
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 11, 2025 2:35 PM	Author: WILDER
Dept./Agy.: Higher Education	Analyst: Tanesha Morgan
Subject: Taylor Opportunity Program for Students	

TOPS EN +\$172,184 SG EX See Note Page 1 of 1

Lowers the ACT score required for initial qualification for a Taylor Opportunity Program for Students award for students who complete approved home study programs

Present law provides for the Taylor Opportunity Program for Students (TOPS) as a merit scholarship program for students meeting specific initial eligibility requirements, including the following academic requirements, which vary depending on the award level: (1) Successful completion of a specific high school core curriculum; (2) Attaining a minimum grade point average on such curriculum; and (3) Attaining a minimum ACT score. Present law exempts students who complete approved home study programs from requirements provided in (1) and (2) above but requires them to score at least two points higher than the minimum ACT score required by present law to qualify for a TOPS-Tech or Opportunity Award and one point higher for a Performance or Honors Award. Proposed law removes this requirement, applicable to those initially qualifying for the 2025-2026 award year and thereafter, which would subject them to the following present law minimum ACT score requirements: TOPS-Tech, 17; Opportunity, 20; Performance, 23; and Honors, 27.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$172,184	\$172,184	\$172,184	\$172,184	\$172,184	\$860,920
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$172,184	\$172,184	\$172,184	\$172,184	\$172,184	\$860,920
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law is anticipated to increase SGF expenditures at the Board of Regents by approximately \$172,184 in FY 26 and annualized in future fiscal years associated with additional TOPS awards. Under current law, the TOPS program expenditure for home-schooled students from 2019-2024 was approximately \$1.43 M on average per year. However, had the proposed law been in effect during this same period, the total TOPS program expenditure for home-schooled students would have been approximately \$1.59 M on average per year. A detailed breakout is below:

Year	Under Current Law		Under Proposed Law		Difference
	Eligible Students	Actual Costs	Eligible Students	Projected Costs	
2019	288	\$1,582,758	295	\$1,729,436	\$146,678
2020	284	\$1,560,557	294	\$1,729,677	\$169,120
2021	228	\$1,282,976	253	\$1,437,418	\$154,442
2022	259	\$1,395,902	274	\$1,566,706	\$170,804
2023	278	\$1,508,790	311	\$1,721,732	\$212,942
2024	220	\$1,224,958	250	\$1,404,074	\$179,116
Average	260	\$1,426,000	280	\$1,598,000	\$172,184

Note: It is important to note that some students would move between award categories and the overall effect would be an increase of approximately 20 students per year becoming eligible for TOPS awards. Most of the costs come from more students qualifying for the higher-value Performance and Honors awards, rather than just more students qualifying overall.

Award Category	Current Law ACT Required	Proposed Law ACT Required	Average Award	Avg Annual Change	Change in Students
TOPS-Tech	19-21	17-19	\$2,666	(\$28,883)	-10
Opportunity	22-23	20-22	\$5,393	\$216	0
Performance	24-27	23-26	\$6,054	\$84,760	+14
Honors	28-36	27-36	\$6,910	\$116,091	+16
				\$172,184	20

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer