

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 256** HLS 18RS 508

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|--|---------|-------------------------------|
| Date: May 22, 2018 | 1:31 PM | Author: FOIL |
| Dept./Agy.: Higher Education/TOPS | | Analyst: Willis Brewer |
| Subject: TOPS Income Fund | | |

FUNDS/FUNDING EN SEE FISC NOTE SD RV See Note Page 1 of 1
Creates the TOPS Income Fund to fund the Taylor Opportunity Program for Students (TOPS).

Proposed law establishes the TOPS Income Fund as a special treasury fund. Monies in the fund can be combined with other funds; however, all monies in the TOPS Income Fund shall be used solely to fund the TOPS Program.

Proposed law requires that unexpended and unencumbered monies in the fund at the end of a fiscal year remain in the fund and that interest earned on monies in the fund shall be credited to the fund.

| EXPENDITURES | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | | | | | | |

| REVENUES | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

Proposed law will have an indeterminable impact on state expenditures. This measure establishes the TOPS Income Fund, but does not identify a source of revenue. The proposed legislation will result in a marginal additional workload for the State Treasury, which can be absorbed with existing resources. However, to the extent other legislative instruments create new statutory dedications, there may be material additional costs associated with the aggregate effort to administer these funds.

To the extent monies are appropriated to the fund, these funds will be used to fund the Taylor Opportunity Program for Students (TOPS). The TOPS program has historically been funded with SGF and statutory dedications out of the TOPS Fund. In FY 18, the TOPS program is funded with \$233.3 M in SGF and \$58 M in statutory dedications out of the TOPS Fund. The FY 19 recommended budget eliminates all the SGF to the TOPS program. SGF deposited into the fund that otherwise would have been appropriated as SGF will result in a net zero fiscal impact to TOPS.

REVENUE EXPLANATION

The proposed law will have an indeterminable impact on state revenues as it does not identify a recurring source of revenue for the fund.

Senate Dual Referral Rules
 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}

Evan Brasseaux

Evan Brasseaux
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