



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 346** HLS 22RS 894
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **W/ SEN FLOOR AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: June 2, 2022	9:53 AM	Author: THOMPSON
Dept./Agy.: Education		
Subject: Postsecondary Financial Assistance		Analyst: Tim Mathis

STUDENT/LOANS-SCHOLARSHIP REF SEE FISC NOTE GF EX See Note Page 1 of 1

Provides for a program and a fund for the purpose of providing scholarships for students in approved teacher preparation programs

Proposed law establishes the "Geaux Teach Program" to provide scholarships to students in teacher preparation programs at postsecondary education institutions that are approved by the Board of Elementary and Secondary Education (BESE). Provides for administration of the program by the Board of Regents through the Office of Student and Financial Assistance (LOSFA), which shall provide for application requirements, eligibility criteria, and selection of scholarship recipients; no more than 3% of available funding for the program may be used for administrative costs. Provides that up to 20% of awards may be used for students enrolled in certified alternative teacher certification programs. Provides for student eligibility. Scholarship awards shall be applicable only to the cost of tuition, required fees, and textbooks and instructional materials; awards shall be used only after all other financial aid and awards are applied and only for any remaining balance due for tuition and required fees. Creates the Geaux Teach Fund within the state treasury to receive appropriations. Requires LOSFA to adopt rules and regulations for implementation. Effective upon governor's signature.

EXPENDITURES	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>5 -YEAR TOTAL</u>
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 may result in increased SGF and statutory dedications expenditures for the Board of Regents through the Office of Student and Financial Assistance (LOSFA) to administer the Geaux Teach Fund. Monies in the fund shall be subject to appropriation by the legislature for the purpose of awarding scholarships to students in teacher preparation programs at postsecondary institutions.

The proposed legislation would allow LOSFA to utilize up to 3% of funding available for the program for costs associated with administering the program. For illustrative purposes, through the \$1,250,000 appropriation for the program in FY 23, LOSFA may utilize up to \$37,500 for costs associated with administering the scholarship program, and the remaining \$1,212,500 for scholarships. To the extent LOSFA is able to absorb any administrative costs with existing staff, administrative costs may be less or nonexistent. If funding for the program becomes significant, LOSFA may require a full-time position at that time.

Creating a new statutory dedication within the state treasury will result in a marginal workload increase for the Department of Treasury, which can generally be absorbed within 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. The Treasury performs fund accounting, financial reporting, banking and other custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates it will be required to add one T.O. position at a total personnel services cost of approximately \$73,000, plus approximately \$2,450 for a one-time purchase of office equipment. These expenditures are assumed to be SGF in this fiscal note.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. Proposed law creates the Geaux Teach Fund but does not provide a recurring source of revenues.

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| <p><u>Senate</u></p> <p><input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}</p> <p><input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}</p> | <p><u>Dual Referral Rules</u></p> | <p><u>House</u></p> <p><input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}</p> <p><input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}</p> |
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Evan Brasseaux

Evan Brasseaux
 Interim Deputy Fiscal Officer