



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HB 164** HLS 23RS 539

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

|  |          |                             |
|--|----------|-----------------------------|
| <b>Date:</b> April 17, 2023                    | 12:49 PM | <b>Author:</b> COX          |
| <b>Dept./Agy.:</b> Board of Regents            |          |                             |
| <b>Subject:</b> TOPS Tech Award Qualifications |          | <b>Analyst:</b> Chris Henry |

TOPS

OR INCREASE GF EX See Note

Page 1 of 1

Lowers the minimum ACT score required for initial qualification for a TOPS-Tech Award from 17 to 15

Present law sets the required ACT composite test score to qualify for a TOPS-Tech Award at seventeen (17) or higher. Proposed law changes the required composite score to at least fifteen (15) or higher beginning with the high school graduating class of 2022-23.

| EXPENDITURES   | 2023-24  | 2024-25  | 2025-26  | 2026-27  | 2027-28  | 5 -YEAR TOTAL |
|----------------|----------|----------|----------|----------|----------|---------------|
| State Gen. Fd. | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE |               |
| 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   |          |          |          |          |          |               |

| REVENUES       | 2023-24  | 2024-25  | 2025-26  | 2026-27  | 2027-28  | 5 -YEAR TOTAL |
|----------------|----------|----------|----------|----------|----------|---------------|
| State Gen. Fd. | \$0      | \$0      | \$0      | \$0      | \$0      | \$0           |
| Agy. Self-Gen. | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE |               |
| 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   |          |          |          |          |          |               |

EXPENDITURE EXPLANATION

The proposed bill will increase costs resulting from additional students qualifying for and accepting TOPS-Tech awards. Based on the number of students with an ACT composite score of 15 and 16 and the average acceptance rate for TOPS-Tech awards over the prior three years, expanding the eligibility could increase costs by as much as \$1.8 M in FY 24 and subsequently by \$3.6 M in FY 25 and beyond. Actual costs are indeterminable and will depend primarily on the level of new student participation. The calculation below was used to determine the average annual cost increase:

Historical Data:

|                               |         |         |         |                |
|-------------------------------|---------|---------|---------|----------------|
| HS Graduation Year            | 2019-20 | 2020-21 | 2021-22 | 3-year Average |
| Students with 15-16 ACT Score | 3,460   | 3,394   | 2,787   | 3,214          |
| TOPS-Tech Acceptance Rate     | 22.7%   | 23.1%   | 18.3%   | 21.4%          |

Proposed Law Simulated:

|                           |             |             |             |             |
|---------------------------|-------------|-------------|-------------|-------------|
| Potential New Awards      | 785         | 784         | 510         | 693         |
| Total Cost (Avg. \$2,666) | \$2,093,930 | \$2,090,181 | \$1,359,716 | \$1,847,942 |

REVENUE EXPLANATION

The proposed legislation will have an indeterminable impact on public postsecondary institutions’ self-generated revenue. Expanding the eligibility for these awards could increase the number of students enrolled at institutions with approved technical programs of study. This would in turn impact SGR at those respective institutions.

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

Interim Deputy Fiscal Officer