

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 485** HLS 23RS 837  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

**Date:** April 24, 2023      3:21 PM      **Author:** BRASS  
**Dept./Agy.:** Board of Regents      **Analyst:** Chris Henry  
**Subject:** Creates La. National Guard Patriot Scholarship Program

STUDENT/LOANS-SCHOLARSHIP      EG INCREASE GF EX See Note      Page 1 of 1

Creates the Louisiana National Guard Patriot Scholarship Program to cover the cost of mandatory fees for members attending La. public postsecondary education institutions

Proposed law creates the Louisiana National Guard Patriot Scholarship Program to assist qualifying members of the Louisiana National Guard in covering the cost of mandatory fees for higher education. In order to qualify for the award, a student must be a member in good-standing with the National Guard, enrolled in a public Louisiana postsecondary institution, and qualify for the National Guard Student Tuition Exemption Program (STEP) in current law. The program is to be administered by the Board of Regents. The payment of Patriot Scholarships is subject to the appropriation of funds by the legislature for this purpose.

EXPENDITURES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
REVENUES	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There will be an increase in SGF expenditures associated with the awards for the Patriot Scholarship Program. The Louisiana National Guard reports 1,074 soldiers and airmen who were enrolled in postsecondary education programs in academic year 2021-22 used the STEP benefits. A portion of these students attended just one semester, and converting this number to full time enrolled (FTE) students results in 662 FTEs. Mandatory fees vary at each institution. The average annual amount of these fees in 2022-23 for a Louisiana resident enrolled in an undergraduate program taking 12 hours of credit each semester is \$3,415 at 4-year institutions and \$1,128 at 2-year institutions.

For illustrative purposes, of the 662 FTEs reported above, 84% were enrolled at 4-year institutions and 16% at 2-year institutions. If these students were awarded the Patriot Scholarship in the current academic year, it would have cost approximately \$2 M.

The actual amount needed to fund the scholarship program is indeterminable at this time and will vary from year to year depending on the number of students applying, which institutions they choose to attend, and which semester they enroll.

To initiate a new scholarship award, LOSFA would require \$8,000 in SGF for professional services to contract with a software vendor to build and integrate the new program into their award system along with nominal costs for rule development and promulgation.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. Institutions of postsecondary education could see an increase in SGR should additional qualified students enroll as a result of the proposed legislation.

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*  


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**Evan Brasseaux**  
**Interim Deputy Fiscal Officer**