

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



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

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 26, 2023 6:11 AM	<b>Author:</b> COX
<b>Dept./Agy.:</b> Board of Regents	<b>Analyst:</b> Chris Henry
<b>Subject:</b> TOPS Tech Award Qualifications	

TOPS EG 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.

<b>EXPENDITURES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>5 -YEAR TOTAL</b>
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>						
<b>REVENUES</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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**

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:*

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

*Proposed Law Simulated:*

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

**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

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*

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