

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 272** SLS 24RS 502

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 15, 2024	1:04 PM	Author: EDMONDS
Dept./Agy.: Board of Regents/LOSFA/Workforce Commission		Analyst: Chris Henry
Subject: M.J. Foster Promise Program		

COLLEGES/UNIVERSITIES

EN SEE FISC NOTE GF EX

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Provides relative to the M.J. Foster Promise Award program. (gov sig)

Present law limits state appropriations for the M.J. Foster Promise Program to no more than \$10.5 M annually with one pool of funding available for qualifying students in both public institutions and proprietary schools. Proposed legislation would increase the appropriated limit to no more than \$40 M annually. Proposed legislation authorizes the Louisiana Workforce Commission to convene the M.J. Foster Promise Advisory Council on an annual basis for updates on the program and once every three years to review the workforce priorities of the state and its regions and to designate the programs of study that qualify for program awards.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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

To the extent the proposed legislation is enacted, the legislature may choose to increase appropriations up to \$40 M for the M.J. Foster Promise Program. Appropriations for the Program have historically been made from statutory dedications out of the M.J. Foster Promise Program Fund, which has been funded solely from direct transfers of SGF.

Under current law, the Office of Student Financial Assistance (LOSFA) is allowed to retain 5% of the funding appropriated to the Program for administrative expenses, which is retained in the proposed legislation. The administrative component cannot exceed \$525,000 (5% of \$10.5 M) under current law. This amount under the proposed legislation would increase to a new cap of \$2 M (5% of \$40 M). Additionally, LOSFA reports needing to make changes to its award system to match the stipulations in the proposed legislation. This is estimated to require 30 hours of vendor time at a rate of \$110 per hour for a total cost of \$3,300.

The Louisiana Workforce Commission reports no significant change in expenditures would result from the convening requirements in the proposed legislation for the M.J. Foster Promise Advisory Council.

REVENUE EXPLANATION

If the appropriation for the M.J. Foster Promise Program increases beyond the current \$10.5 M level, there will likely be an increase in SGR revenues at two-year public postsecondary education institutions due to the enrollment of additional students who could now qualify for and receive an M.J. Foster Promise award as a result of this measure.

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}

Patrice Thomas
Deputy Fiscal Officer