

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 103** SLS 20RS 152
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 8, 2020	10:10 AM	Author: CATHEY
Dept./Agy.: Office of Student Financial Assistance (OSFA)		Analyst: Jodi Mauroner
Subject: TOPS Tech Awards		

TOPS OR INCREASE GF EX See Note Page 1 of 1
 Provides relative to enrollment requirements for the TOPS-Tech Award. (gov sig)

Students who are eligible to receive a TOPS Opportunity or TOPS Tech awards must enroll in an eligible college or university as a first time full time freshman not later than the semester, (excluding summer semesters), immediately following the first anniversary of the date that the student graduated from high school. The proposed legislation would allow a student eligible for a TOPS Tech award to enroll as a first time freshman not later than his thirty-fifth (35) birthday.

Effective upon governor's signature.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There will be an increase in SGF expenditures of OSFA for TOPS Tech awards to the extent eligible students claim this award subsequent to the current one year enrollment deadline. The amount of such increase is indeterminable at this time, but could be significant.

Utilizing award data from 2003 to 2019, OSFA reports a total of 76,106 TOPS Tech eligible graduates with only 15,512 or 20% utilizing the award. A total of 60,594 students (80%) who were eligible chose not to accept the award. TOPS Tech awards averages \$2,666 per year for a maximum of two (2) years. To illustrate the maximum impact, if all 60,594 students chose to exercise the authority in proposed legislation, there would be an increase of \$323 M over a two year period. There is no way for the LFO to determine how many of these students would choose to claim the award in later years. For illustrative purposes, if only 1% of these students (606) applied for the full award, the increase would total \$1.6 M each year for two years or \$3.2 M for each of these students

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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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