LEGISLATIVE FISCAL OFFICE
Fiscal Note

Date: May 31, 2020 5:05 PM		**Author:** CATHEY
Dept./Agy.: Office of Student Financial Assistance (OSFA)		
Subject: TOPS Tech Awards		**Analyst:** Jodi Mauroner

TOPS   EN INCREASE GF EX See Note   Page 1 of   1

Provides for TOPS-Tech award eligibility for certain military veterans. (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 an individual who has been honorably discharged from a Louisiana military institution beginning in January 2020, and maintains domicile following his discharge for up to one year to be eligible to receive the award for the period 2020-2021 through 2022-2023 provided he meets the specified criteria. Requires OSFA to promulgate rules for implementation of the proposed legislation. Effective August 1, 2020.

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	$0	$0	$0	$0	$0	$0
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	$0	$0	$0	$0	$0	$0
Annual Total	$0	$0	$0	$0	$0	$0

EXPENDITURE EXPLANATION

There will be an increase in the expenditures of OSFA to extend TOPS Tech awards to eligible veterans. The award amount averages $2,666 per year for a maximum of two (2) years.

The LA Department of Veterans Affairs (LDVA) does not maintain data on the number of individuals who process out of the service and remain in Louisiana, thus the LFO is unable to ascertain the number of veterans who would be affected by this legislation. LDVA indicated there are approximately 8,300 veterans currently using the GI Bill on Louisiana campuses.
For illustrative purposes, data from a Department of Defense 2018 Profile of the Military Community was used to identify the number of active duty military personnel in the state. Per the report there were 14,279 members serving at U.S. installations located in Louisiana. Per the same report, there were a total of 165,630 active duty members that separated from service in that year. Of that total, 85,148 or 51% were voluntary separations (including expiration of term of service, early release) and non-disability retirement. Assuming the same rate of separations of personnel stationed in Louisiana would equate to approximately 7,282 individuals; if only one half of 1% of them took advantage of the award (36) each year, the cost would be approximately $97,073.

The GI Bill provides education benefits to service members and veterans. While actual benefits vary depending upon years of service, for those members serving since 9/1/2001 benefits could range from 50% to 100% of actual tuition and fees at any public college or university, a monthly housing allowance and a stipend for textbooks and supplies. Institutions bill the VA directly for tuition and fees. However, TOPS awards can also be applied to total cost of attendance, including textbooks, housing, and transportation. <u>Therefore, receipt of TOPS awards in excess of tuition and fees would be refunded to the student to apply to cost of attendance.</u>

REVENUE EXPLANATION

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