

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 83** SLS 13RS 93

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 24, 2013 4:33 PM	Author: MORRISH
Dept./Agy.: Louisiana Office of Student Financial Assistance (LOSFA)	Analyst: Charley Rome
Subject: Caps TOPS Award Amounts	

TOPS OR -\$186,000 GF EX See Note Page 1 of 1
Establishes a cap on TOPS award amounts. (gov sig)

Beginning in 2013-2014 and thereafter: (1) The maximum TOPS award amount for a student who enrolls in any state public college or university shall not exceed the amount paid at that public college or university for the 2012-2013 award year plus ten percent. (2) For colleges or universities that are members of the Louisiana Association of Independent Colleges and Universities (LAICU), the maximum TOPS award shall not exceed the average weighted award amount for students attending public colleges and universities in the state for the 2012-2013 award year, plus ten percent. (3) Retains payment of the supplemental amounts for a recipient of a Performance or Honors award. Proposed law provides that, beginning with the 2014-2015 fiscal year, and every other year thereafter, the administering agency shall consider any adjustments necessary to align TOPS award amounts with the Higher Education Price Index and recommend any such adjustments to the legislature for approval during legislative sessions held in odd-numbered years. Effective upon governor's signature.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	(\$186,000)	(\$21,400,000)	(\$31,800,000)	(\$59,100,000)	(\$74,300,000)	(\$186,786,000)
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	(\$186,000)	(\$21,400,000)	(\$31,800,000)	(\$59,100,000)	(\$74,300,000)	(\$186,786,000)
REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	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

The proposed legislation will decrease TOPS award expenditures by at least the following approximate amounts by fiscal year: FY14 (\$186,000), FY15 (\$21.4M), FY16 (\$31.8M), FY17 (\$59.1) and FY18 (\$74.3M). The proposed legislation caps TOPS awards thereby decreasing anticipated TOPS expenditures. The legislation allows for TOPS award increases, but such increases are less than the 10% allowed due to the Grad Act tuition increases. These savings assume that the Louisiana Office of Student Financial Assistance (LOSFA) will recommend increases in TOPS award amounts by the Higher Education Price Index every other year beginning in FY15 and the Legislature funds such increases. The estimated savings by year increase to the following amounts if LOSFA does not recommend such increases or the Legislature does not fund such increases: FY14 (\$186,000), FY15 (\$21.4M), FY16 (\$45.6M), FY17 (\$73.2M) and FY18 (\$103.6M).

REVENUE EXPLANATION

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

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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