

2016 Regular Session

HOUSE BILL NO. 1050

BY REPRESENTATIVE NANCY LANDRY

STUDENT/LOANS-SCHOLARSHIP: Provides, under certain fiscal conditions, for reductions in Taylor Opportunity Program for Students (TOPS) award amounts and for charging students the difference between award and tuition amounts

1 AN ACT

2 To amend and reenact R.S. 17:5065(D), relative to the Taylor Opportunity Program for
3 Students; to provide relative to program funding; to provide relative to procedures
4 for reduction of awards under certain fiscal circumstances; to authorize the
5 administering agency of the program to reduce award amounts and to provide
6 limitations with respect to such reduction; to subject such reduction to the approval
7 of certain legislative committees; to authorize public postsecondary education
8 institutions to charge students for the difference between award and tuition amounts;
9 to provide relative to hardship waivers; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 17:5065(D) is hereby amended and reenacted to read as follows:

12 §5065. Funding

13 * * *

14 D.~~(1)~~ In the event the legislature appropriates insufficient money to fund all
15 awards made to students qualifying under the provisions of this Chapter, ~~the~~

16 (1)(a) The number of students to whom awards shall be made shall be
17 reduced as necessary pursuant to a procedure set out by rule adopted by the
18 administering agency. The procedure shall provide for such reduction to be based
19 on the scores on the ACT and then on the ability of each student's family to pay the

1 student's tuition as evidenced by the expected family contribution determined by
2 using the standardized federal methodology for establishing student financial need.
3 The procedure shall provide that reductions of awards made necessary by insufficient
4 appropriations shall first eliminate the cohort of students who score lowest on the
5 ACT. The procedures shall provide that within that cohort of students, those whose
6 families are most able to pay the student's tuition shall be eliminated first. After
7 insufficient appropriations require the elimination of all students in such cohort, the
8 procedures shall require repeating the process with those students in the next highest
9 score cohort.

10 ~~(2)~~(b) Among students denied their awards as provided in Subparagraph (a)
11 of this Subsection Paragraph, those students whose families have the least capacity
12 to pay shall be the first to receive their awards if monies become available. Any
13 student for whom the expected family contribution cannot be determined as provided
14 for in Paragraph (1) of this Subsection shall be denied his award until the legislature
15 appropriates sufficient monies to fund all awards made to students qualifying under
16 the provisions of this Chapter.

17 (3) Notwithstanding the provisions of Paragraph (1) of this Subsection, the
18 administering agency may implement a pro rata cut to all awards, not to exceed five
19 percent of the award amount, subject to approval by the Joint Legislative Committee
20 on Budget and the House Committee on Education and the Senate Committee on
21 Education, meeting jointly.

22 (4) Public postsecondary education institutions may charge a student the
23 difference between a reduced award amount and the tuition amount. Such
24 institutions may grant waivers according to established criteria in cases of financial
25 hardship. Information about such waivers and the criteria and procedures for
26 obtaining a waiver shall be made available to all affected students in a timely
27 manner.

28 Section 2. This Act shall become effective upon signature by the governor or, if not
29 signed by the governor, upon expiration of the time for bills to become law without signature

- 1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
3 effective on the day following such approval.
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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 1050 Original

2016 Regular Session

Nancy Landry

Abstract: Grants the Taylor Opportunity Program for Students (TOPS) administering agency and public postsecondary education institutions certain authorities in the event that the legislature appropriates insufficient money to fund all program awards.

Present law provides for the Taylor Opportunity Program for Students (TOPS) as a program of merit scholarships for students attending certain postsecondary education institutions who meet specific requirements, including academic requirements, relative to initial eligibility and continuing eligibility. Requires the legislature annually to appropriate funds sufficient to cover the costs of TOPS awards.

Present law provides, in the event the legislature appropriates insufficient money to fund all awards, that the number of students to whom awards shall be made shall be reduced pursuant to a procedure adopted by the administering agency (the La. Student Financial Assistance Commission). Requires this procedure to provide:

- (1) That such reduction be based on ACT scores and then on the ability of each student's family to pay the student's tuition.
- (2) That reductions of awards made necessary by insufficient appropriations shall first eliminate the cohort of students scoring lowest on the ACT and that within that cohort of students, those whose families are most able to pay the student's tuition shall be eliminated first; provides, after insufficient appropriations require the elimination of all students in such cohort, that procedures require repeating the process with those students in the next highest score cohort.
- (3) That among students denied their awards, those students whose families have the least capacity to pay shall be the first to receive their awards if monies become available.
- (4) That any student for whom the expected family contribution cannot be determined shall be denied his award until the legislature appropriates sufficient monies to fund all awards.

Proposed law authorizes the following in the event of insufficient appropriations:

- (1) Notwithstanding present law procedures, the administering agency may implement a pro rata cut to all awards, not to exceed 5% of the award amount, subject to approval by the Joint Legislative Committee on Budget and the House and Senate education committees, meeting jointly.
- (2) Public postsecondary education institutions may charge a student the difference between a reduced award amount and the amount of tuition at the institution.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 17:5065(D))