

2016 Regular Session

SENATE BILL NO. 470 (Substitute of Senate Bill No. 89 by Senator Morrish)

BY SENATORS MORRISH AND WALSWORTH

TOPS. Provides relative to reduction of TOPS award amounts or the number of TOPS recipients in the event of insufficient funding. (gov sig)

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 reducing award amounts or the number of students

4 deemed eligible for an award in the event of insufficient funding; to authorize public

5 postsecondary institutions to bill students for certain tuition amounts; to provide for

6 tuition waivers; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

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

9 §5065. Funding

10 \* \* \*

11 **D.(†) In the event the legislature appropriates insufficient money to fully**

12 **fund all awards made to students qualifying under the provisions of this**

13 **Chapter, the administering agency shall either reduce award amounts or reduce**

14 **the number of students to whom awards shall be made as follows:**

15 **(1)(a) Before reducing the number of students eligible to receive a**

16 **program award, the administering agency, subject to approval by the Joint**

17 **Legislative Committee on the Budget, shall equitably reduce the amount of the**

1 program award for each qualifying student by an equal percentage on a pro  
2 rata basis, so that every student receives the award for which he qualifies and  
3 the total amount of all awards in any award year does not exceed the funds  
4 available to the agency for this purpose, either from legislative appropriation  
5 or other sources of funding. Such reduction shall also apply, in like manner, to  
6 any additional amount awarded to a student as provided in R.S. 17:5002(C).

7 (b) If a student's award amount is less than the tuition established for the  
8 public postsecondary institution in which he is enrolled, the institution may bill  
9 the student for the difference between the student's award amount and the  
10 tuition established for the institution, unless the institution grants a tuition  
11 waiver to the student.

12 ~~(2)(a) In the event the legislature appropriates insufficient money to fund all~~  
13 ~~awards made to students qualifying under the provisions of this Chapter, If the Joint~~  
14 ~~Legislative Committee on the Budget fails to approve a reduction in award~~  
15 ~~amounts as provided in Paragraph (1) of this Subsection, the number of students~~  
16 ~~to whom awards shall be made shall be reduced as necessary pursuant to a procedure~~  
17 ~~set out by rule adopted by the administering agency. The procedure shall provide for~~  
18 ~~such reduction to be based on the scores on the ACT and then on the ability of each~~  
19 ~~student's family to pay the student's tuition as evidenced by the expected family~~  
20 ~~contribution determined by using the standardized federal methodology for~~  
21 ~~establishing student financial need. The procedure shall provide that reductions of~~  
22 ~~awards made necessary by insufficient appropriations shall first eliminate the cohort~~  
23 ~~of students who score lowest on the ACT. The procedures shall provide that within~~  
24 ~~that cohort of students, those whose families are most able to pay the student's tuition~~  
25 ~~shall be eliminated first. After insufficient appropriations require the elimination of~~  
26 ~~all students in such cohort, the procedures shall require repeating the process with~~  
27 ~~those students in the next highest score cohort.~~

28 ~~(2) (b)~~ (b) Among students denied their awards as provided in this Subsection,  
29 those students whose families have the least capacity to pay shall be the first to

1 receive their awards if monies become available. Any student for whom the expected  
2 family contribution cannot be determined as provided for in ~~Paragraph (1) of this~~  
3 ~~Subsection~~ **Subparagraph (a) of this Paragraph** shall be denied his award until the  
4 legislature appropriates sufficient monies to fund all awards made to students  
5 qualifying under the provisions of this Chapter.

6 **(c) If a student who otherwise qualifies for an award pursuant to this**  
7 **Chapter is deemed ineligible to receive his award pursuant to this Paragraph,**  
8 **the public postsecondary institution in which he is enrolled may bill the student**  
9 **for the full amount of tuition established for the institution, unless the**  
10 **institution grants a tuition waiver to the student.**

11 **(3) A student whose award is reduced or eliminated pursuant to this**  
12 **Section shall not be required to accept payment of his award or to enroll or**  
13 **maintain continuous enrollment in an eligible college or university during the**  
14 **time period for which there is a funding shortfall and may defer acceptance of**  
15 **his award benefits. If a student opts to defer acceptance of his award payment**  
16 **pursuant to this Paragraph, all of the following shall apply:**

17 **(a) The student, upon enrollment or re-enrollment in an eligible college**  
18 **or university, shall be eligible to receive all applicable award benefits for any**  
19 **remaining semester or semesters, or the equivalent thereof, of his unused**  
20 **eligibility.**

21 **(b) The student shall meet all academic and other eligibility**  
22 **requirements provided by this Chapter and by rule of the administering agency,**  
23 **except as otherwise provided in this Subsection.**

24 **(c) The student shall exhaust all unused award eligibility within five**  
25 **years of the initial reduction or elimination of his award pursuant to this**  
26 **Section, provided that if the student requests and is granted an exception for**  
27 **cause to the requirement to enroll or to maintain continuous enrollment in an**  
28 **eligible college or university, the time period within which the student must**  
29 **exhaust his eligibility for his award shall be extended by the amount of time for**

1           **which he was granted an exception.**

2           Section 2. This Act shall become effective upon signature by the governor or, if not  
3 signed by the governor, upon expiration of the time for bills to become law without signature  
4 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
5 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
6 effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Jeanne C. Johnston.

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DIGEST

SB 470 Reengrossed

2016 Regular Session

Morrish

Present law provides that in the event the legislature fails to appropriate sufficient money to fund all awards made to students who qualify for a TOPS award, the administering agency will establish a procedure to reduce the number of students who will receive awards based on ACT scores and the student's ability to pay tuition, as determined by federal guidelines for determining student financial need.

Provides that the first cohort of students eliminated will be those who score lowest on the ACT. Further provides that within this cohort, those students whose families are most able to pay the student's tuition will be eliminated first. If funding is still insufficient after the elimination of all students in this cohort, this procedure will be repeated with each succeeding score cohort.

Provides that among students so denied their awards, students whose families have the least capacity to pay shall be the first to receive their awards if monies become available. Students for whom the expected family contribution cannot be determined shall be denied their award until the legislature appropriates sufficient monies to fund all awards to qualifying students.

Proposed law retains present law, but provides that the number of students who can receive a TOPS award shall not be reduced, unless JLCB fails to approve a reduction in award amounts for all students who received a TOPS award.

Proposed law provides that before reducing the number of students eligible to receive a TOPS award as provided in present law, the administering agency, subject to approval by the Jt. Legislative Committee on the Budget (JLCB), shall equitably reduce the amount of all program awards, including the stipends for the Performance and Honors awards, by an equal percentage on a pro rata basis. Provides that the total amount of all awards in any award year shall not exceed available funds, either from legislative appropriation or another source.

Proposed law provides that if JLCB fails to approve a pro rata reduction in all award amounts, the provisions of present law providing for a reduction in the number of students to whom awards shall be made will apply.

Proposed law provides that if TOPS award amounts are reduced, public postsecondary institutions may bill a student for the difference between the student's TOPS award and the amount of tuition established for the institution in which he is enrolled, unless the student is granted a tuition waiver.

Proposed law provides that if the number of students eligible to receive a TOPS award is

reduced, postsecondary institutions may bill a student for the full amount of tuition established for the institution in which he is enrolled, unless the student is granted a tuition waiver.

Proposed law provides that a student whose award is reduced or eliminated pursuant to proposed law is not required to accept payment of his award or to enroll or maintain continuous enrollment in an eligible college or university during the time period for which there is a funding shortfall and may defer acceptance of his award benefits. Further provides that if a student opts to defer acceptance of his award payment, all of the following apply:

- (1) The student, upon enrollment or re-enrollment in an eligible college or university, is eligible to receive all applicable award benefits for any remaining semester or semesters, or the equivalent thereof, of his unused eligibility.
- (2) The student must meet all academic and other eligibility requirements established by law or rule, except as otherwise provided in proposed law.
- (3) The student must exhaust all unused award eligibility within five years of the initial reduction or elimination of his award, provided that if the student requests and is granted an exception for cause to the requirement to enroll or to maintain continuous enrollment in an eligible college or university, the time period within which the student must exhaust his award eligibility shall be extended by the amount of time for which he was granted an exception.

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

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

#### Summary of Amendments Adopted by Senate

##### Senate Floor Amendments to engrossed bill

1. Allows a student whose award is reduced or eliminated due to insufficient funding to defer acceptance of his award payment and retain the option to later accept and receive his award for all semesters, or equivalent thereof, for which he qualifies to receive his TOPS award.
2. Requires the student to exhaust all such unused award eligibility within five years of the initial reduction/elimination of his award, unless granted an exception for cause; in which case the time period to exhaust unused award eligibility is extended by the amount of time the exception was granted.