

2018 Regular Session

HOUSE BILL NO. 399

BY REPRESENTATIVE GARY CARTER

TOPS: In the event of insufficient funding, provides for funding or reducing Taylor Opportunity Program for Students (TOPS) awards based on certain academic and financial criteria and eliminating payment of certain stipends

1 AN ACT

2 To amend and reenact R.S. 17:5065(D) and to enact R.S. 17:5065(E), relative to the Taylor  
3 Opportunity Program for Students; to require certain procedures if the program is  
4 funded insufficiently; to provide for funding or reducing awards based on certain  
5 student financial and academic criteria; to provide for eliminating the payment of  
6 certain stipends to students; 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 and R.S. 17:5065(E)  
9 is hereby enacted to read as follows:

10 §5065. Funding

11 \* \* \*

12 D.~~(1) In the event~~ If the legislature appropriates insufficient money to fully  
13 fund all awards made to students qualifying under the provisions of this Chapter, the  
14 administering agency shall:

15 ~~(1) equitably~~ Fund or equitably reduce the amount of the program award for  
16 ~~each qualifying student~~ certain students by an equal percentage on a pro rata basis,  
17 as provided in this Subsection, so that ~~every student receives the award for which he~~  
18 ~~qualifies and~~ the total amount of all awards in any award year does not exceed the  
19 funds available to the agency for this purpose, either from legislative appropriation

1 or other sources of funding. ~~Such reduction shall also apply, in like manner, to any~~  
2 Any additional amount awarded to for which a student qualifies as provided in R.S.  
3 17:5002(C), referred to in this Subsection as a "stipend", shall not be awarded to any  
4 student. The administering agency shall include funds that would have been used for  
5 stipends in its determination of the sufficiency of funds and in the funding of awards,  
6 all as provided in Paragraph (2) of this Subsection.

7 (2) To the extent that funding is available, fund or reduce awards as follows:

8 (a) First, the award of each student who qualifies for an Honors Award shall  
9 be fully funded.

10 (b) Second, the award of each student who qualifies for a Performance  
11 Award shall be fully funded.

12 (c) Third, the award of each student who qualifies for an Opportunity Award  
13 and is eligible for a federal Pell Grant shall be fully funded.

14 (d) Fourth, the award of each student who qualifies for an Opportunity  
15 Award and is not eligible for a federal Pell Grant and the award of each student who  
16 qualifies for a TOPS-Tech Award and is eligible for a federal Pell Grant shall be  
17 subject to a pro rata cut as provided in Paragraph (1) of this Subsection.

18 (e) Fifth, the award of each student who qualifies for a TOPS-Tech Award  
19 and is not eligible for a federal Pell Grant shall be subject to a pro rata cut as  
20 provided in Paragraph (1) of this Subsection.

21 ~~(2)~~ E. If awards are reduced or eliminated pursuant to Subsection D of this  
22 Section:

23 (1) If a student's award amount is less than the tuition established for the  
24 ~~public~~ postsecondary institution in which he is enrolled, the institution may bill the  
25 student for the difference between the student's award amount and the tuition  
26 established for the institution; unless the institution grants a tuition waiver to the  
27 student.

28 ~~(3)~~ (2) A student whose award is reduced or eliminated pursuant to this  
29 ~~Section~~ shall not be required to accept payment of his award or to enroll or maintain

1 continuous enrollment in an eligible college or university during the time period for  
2 which there is a funding shortfall and may defer acceptance of his award benefits.

3 If a student opts to defer acceptance of his award payment pursuant to this  
4 Paragraph, all of the following shall apply:

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

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

11 (c) The student shall exhaust all unused award eligibility within five years  
12 of the initial reduction or elimination of his award pursuant to this Section, ~~provided~~  
13 ~~that if.~~ If the student requests and is granted an exception for cause to the  
14 requirement to enroll or to maintain continuous enrollment in an eligible college or  
15 university, the time period within which the student must exhaust his eligibility for  
16 his award shall be extended by the amount of time for which he was granted an  
17 exception.

#### 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 399 Engrossed

2018 Regular Session

Gary Carter

**Abstract:** Provides for prioritizing Taylor Opportunity Program for Students (TOPS) award funding based on award levels and Pell Grant eligibility and eliminates payment of Performance and Honors Award stipends if funding is insufficient.

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 certain academic and other qualifications. Provides for a baseline tuition award amount and, in addition, an annual stipend of \$400 for Performance Awards and \$800 for Honors Awards.

Present law requires the legislature annually to appropriate funds sufficient to cover the costs of TOPS awards. Requires the administering agency, if the legislature does not appropriate sufficient money to fully fund all awards, to equitably reduce the amount of awards, including Performance and Honors stipends, for each qualifying student by an equal

percentage on a pro rata basis, a "pro rata cut", so that every student receives the award for which he qualifies and the total amount of all awards does not exceed the funds available.

Proposed law, if funding is insufficient, provides that to the extent that funding is available, the administering agency shall fund or reduce awards in the following order:

- (1) Fully fund the award of each student who qualifies for an Honors Award.
- (2) Fully fund the award of each student who qualifies for a Performance Award.
- (3) Fully fund the award of each student who qualifies for an Opportunity Award and is eligible for a Pell Grant (Pell-eligible).
- (4) Subject the award of each student who qualifies for an Opportunity Award and is not Pell-eligible and the award of each student who qualifies for a TOPS-Tech Award and is Pell-eligible to a pro rata cut.
- (5) Subject the award of each student who qualifies for a TOPS-Tech Award and is not Pell-eligible to a pro rata cut.

Proposed law provides that if funding is insufficient, Performance and Honors stipends shall not be awarded to students, and that money will be used to fund other awards.

(Amends R.S. 17:5065(D); Adds R.S. 17:5065(E))

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Education to the original bill:

1. Revise procedure for funding or reducing TOPS awards in the event of insufficient funding by providing for a prioritization schedule based on award levels and Pell Grant eligibility.