

Regular Session, 2014

SENATE BILL NO. 655

BY SENATOR BUFFINGTON

FUNDS/FUNDING. To authorize public or private entities to make certain donations to various educational institutions for recipients of TOPS Awards or GO Grants. (7/1/14)

1 AN ACT
2 To amend and reenact R.S. 17:3046 and enact R.S. 17:3046.3 and 3048.1(M) and (Y),
3 relative to financial assistance for certain qualified students; to authorize public or
4 private entities to make certain donations to various education institutions for
5 recipients of TOPS awards or GO Grants; to provide for an effective date; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S.17:3046 is hereby amended and reenacted and R.S. 17:3046.3 and
9 3048.1(M) and (Y) are hereby enacted to read as follows:

10 §3046. Louisiana GO Grant program; legislative findings

11 A. The legislature finds that a college education should be available to all
12 qualified students, regardless of their financial means, and declares that the
13 Louisiana GO Grant program established by the Board of Regents has enhanced
14 access to postsecondary educational opportunities for Louisiana students with
15 demonstrated financial need by providing critically needed assistance to help cover
16 the cost of attending postsecondary education institutions in the state. The legislature
17 further finds that leveraging access to postsecondary education for students with

1 demonstrated financial need ensures that all qualified students are afforded an
2 opportunity to achieve their full educational potential, increase their overall quality
3 of life, and maximize their contribution to the state's economic development.

4 **B. Notwithstanding any other provision of this Chapter to the contrary,**
5 **any public or private entity, including any nonprofit organization, may make**
6 **a directed donation to any eligible postsecondary institution for a student who**
7 **is a recipient of a Louisiana GO Grant.**

8 * * *

9 **§3046.3. Private Scholarships**

10 **A. Recognizing the success and growth of the Louisiana Go Grant**
11 **program and in order to maintain the long term financial stability of the**
12 **program, private businesses, industry, foundations, charities, individuals and**
13 **other groups may request from the division of administration that,**
14 **notwithstanding any provision of law to the contrary, they may create privately**
15 **funded scholarship programs to make payments to eligible colleges and**
16 **universities on behalf of individual students. If the division of administration**
17 **were to approve a private scholarship program then any scholarship funds**
18 **received by an eligible college or university from a private scholarship program**
19 **on behalf of a student shall cause a reduction in the dollar amount of the grant**
20 **award to the eligible college or university attributable to that student such that**
21 **the grant award associated with that student shall be an amount that is equal**
22 **to the dollar amount that the grant would have been if no such private**
23 **scholarship funds had been received less the amount of private scholarship**
24 **funds received by the eligible college or university on behalf of that student.**

25 **B. This Section shall in no way be interpreted in such a manner that a**
26 **student could receive less benefits from a combination of the grants from the**
27 **program and the private scholarship funded on his behalf then he would have**
28 **received solely from the grant program if there had been no private scholarship**
29 **funded on his behalf. Therefore, to the extent that any privately funded**

1 scholarship funds provided for in this Section made to an eligible college or
 2 university on behalf of a qualified student are for an amount less than the
 3 amount a given student would have otherwise received as a grant if no such
 4 private scholarship funds had been paid under this Section and the criteria
 5 established by the Board of Regents, then the eligible college or university shall
 6 receive that difference on behalf of the student as the student's grant from the
 7 Louisiana Go Grant Program.

8 C. As provided in this Section, when an eligible college or university
 9 receives privately funded scholarship funds on behalf of a student, the annual
 10 appropriation of state funds for the Go Grant program shall be reduced by the
 11 amount of the private scholarship program funds so received. The state
 12 treasurer shall deposit the amount of the reduction as specified by the
 13 commissioner of administration into the Overcollections Fund created in R. S.
 14 39:100.21 and credit the deposit to an account within the fund hereby
 15 established and created to be known as the "Program Participation Savings
 16 Account".

17 * * *

18 §3048.1. Program awards; eligibility; amounts; limitations; funding; administration

19 * * *

20 M. Notwithstanding any other provision of this Chapter to the contrary,
 21 any public or private entity, including any nonprofit organization, may make
 22 a directed donation to any eligible postsecondary institution for a student who
 23 is a recipient of a Louisiana Taylor Opportunity Program for Students award.

24 * * *

25 Y.(1) Recognizing the success and growth of the TOPS Program and in
 26 order to maintain the long term financial stability of the TOPS Program,
 27 private businesses, industry, foundations, charities, and other individuals or
 28 groups may request from the division of administration that, notwithstanding
 29 any provision of law to the contrary, it may create scholarship programs to

1 make payments to eligible colleges and universities on behalf of individual
2 students. If the division of administration were to approve a private scholarship
3 program then any scholarship funds received by an eligible college or university
4 from such private scholarship program on behalf of a student shall cause a
5 reduction in the dollar amount of the TOPS award associated with that student
6 to an amount that is equal to the dollar amount that the award would have been
7 if no such private scholarship funds had been received less the amount of
8 private scholarship funds received by the eligible college or university.

9 (2) This Subsection shall in no way be interpreted in such a manner that
10 a student could receive less benefits from a combination of the TOPS award
11 from the program and the private scholarship funded on his behalf then he
12 would have received solely from the TOPS program if there had been no private
13 scholarship funded on his behalf. Therefore, to the extent that any privately
14 funded scholarship funds provided for in this Subsection made to an eligible
15 college or university on behalf of a qualified student are for an amount less than
16 the amount a given student would have otherwise received if no such private
17 scholarship funds had been paid as an award under the TOPS Program, then
18 the eligible college or university shall receive that difference on behalf of the
19 student as the student's award from the TOPS program.

20 (3) As provided in this Subsection, when an eligible college or university
21 receives privately funded scholarship funds on behalf of a student, the annual
22 appropriation of state funds for the TOPS program shall be reduced by the
23 amount of the private scholarship program funds so received. It is understood
24 and provided that a reduction shall not effect the estimated nature of the TOPS
25 appropriation as provided in the act or acts that contain such appropriations.
26 The state treasurer shall deposit the amount of such reduction as specified by
27 the commissioner of administration into the Overcollections Fund created in
28 R.S. 39:100.21 and credit the deposit to an account within the fund hereby
29 established and created to be known as the "Program Participation Savings

1 **Account''.**

2 Section 2. This Act shall become effective on July 1, 2014; if vetoed by the governor
3 and subsequently approved by the legislature, this Act shall become effective on July 1,
4 2014, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Jay R. Lueckel.

DIGEST

Buffington (SB 655)

Present law provides for the establishment of the GO Grant program by the Board of Regents to meet the financial need of certain students.

Present law provides for the establishment of the Louisiana Taylor Opportunity Program for Students (TOPS) award. Provides for the eligibility of the various TOPS awards and the administrative requirements of TOPS.

Proposed law retains present law relative to Go Grant and TOPS and also provides that any public or private entity, including any nonprofit organization, may make a directed donation to any eligible postsecondary institution for a student who is a recipient of a Louisiana GO Grant or a Louisiana Taylor Opportunity Program for Students award.

Proposed law provides relative to the Go Grants Program and the TOPS Program that private businesses, industry, foundations, charities, individuals and other groups may request the division of administration to create privately funded scholarship programs to make payments to eligible colleges and universities on behalf of eligible students.

Proposed law provides that the new private scholarship program shall in no way be interpreted in such a manner that a student would receive less benefits from the private scholarship than he would have from the Go Grant or TOPS Program had there been no private scholarship program.

Proposed law additionally provides relative to the scholarship programs for Go Grants and TOPS awards, when an eligible college or university receives private scholarship funds on behalf of a student, the annual appropriation of state funds shall be reduced by the amount of the private scholarship funds so received. The state treasurer shall deposit the amount of the reduction as specified by the commissioner of administration into the Overcollections Fund and credit the deposit to an account in the fund known as the "Program Participation Savings Account".

Proposed law with respect to TOPS only provides that it is understood that a reduction shall not effect the estimate nature of the TOPS appropriation as provided in the act or acts that contain such appropriations.

Effective July 1, 2014.

(Amends R.S. 17:3046; adds R.S. 17: 3046.3 and 3048.1(M) and (Y))

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Finance to the original bill

1. Adds a new section to the Go Grants Program and the TOPS Program that private businesses, industry, foundations, charities, individuals and other groups may request the division of administration to create privately funded scholarship programs to make payments to eligible colleges and universities on behalf of eligible students.
2. Provides that the new private scholarship program shall in no way be interpreted in such a manner that a student would receive less benefits from the private scholarship than he would have from the Go Grant or TOPS Program had there been no private scholarship program.
3. Relative to the scholarship programs for Go Grants and TOPS awards, when an eligible college or university receives private scholarship funds on behalf of a student, the annual appropriation of state funds shall be reduced by the amount of the private scholarship funds so received. The state treasurer shall deposit the amount of the reduction as specified by the commissioner of administration into the Overcollections Fund and credit the deposit to an account in the fund known as the "Program Participation Savings Account".
4. For the TOPS Program, it is understood that a reduction shall not effect the estimate nature of the TOPS appropriation as provided in the act or acts that contain such appropriations.