### 2016 Regular Session

# HOUSE BILL NO. 1166 (Substitute for House Bill No. 1050 by Representative Nancy Landry)

### BY REPRESENTATIVE NANCY LANDRY

# STUDENT/LOANS-SCHOLARSHP: Requires, upon insufficient funding, a pro rata reduction in the amount of all Taylor Opportunity Program for Students (TOPS) awards rather than a reduction in the number of award recipients

1	AN ACT
2	To amend and reenact R.S. 17:5065(D), relative to the Taylor Opportunity Program for
3	Students; to provide for reductions if the program is funded insufficiently; to require
4	reducing award amounts instead of eliminating certain students as award recipients
5	under such circumstances; to authorize public postsecondary education institutions
6	to charge students for the difference between reduced award amounts and tuition; to
7	provide for tuition waivers; and to provide for related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 17:5065(D) is hereby amended and reenacted to read as follows:
10	§5065. Funding
11	* * *
12	D.(1) In the event If the legislature appropriates insufficient money to fund
13	all awards made to students qualifying under the provisions of this Chapter, the
14	number of students to whom amount of awards shall be made shall be reduced on a
15	pro rata basis as necessary pursuant to a procedure set out by rule adopted by the
16	administering agency. The procedure shall provide for such reduction to be based
17	on the scores on the ACT and then on the ability of each student's family to pay the
18	student's tuition as evidenced by the expected family contribution determined by
19	using the standardized federal methodology for establishing student financial need.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1The procedure shall provide that reductions of awards made necessary by insufficient2appropriations shall first eliminate the cohort of students who score lowest on the3ACT. The procedures shall provide that within that cohort of students, those whose4families are most able to pay the student's tuition shall be eliminated first. After5insufficient appropriations require the elimination of all students in such cohort, the6procedures shall require repeating the process with those students in the next highest7score cohort.

8 (2) Among students denied their awards as provided in this Subsection, those 9 students whose families have the least capacity to pay shall be the first to receive 10 their awards if monies become available. Any student for whom the expected family 11 contribution cannot be determined as provided for in Paragraph (1) of this Subsection 12 shall be denied his award until the legislature appropriates sufficient monies to fund 13 all awards made to students qualifying under the provisions of this Chapter. A 14 public postsecondary education institution may charge a student the difference 15 between a reduced award amount and amount of tuition at the institution. Such 16 institutions may grant waivers according to established criteria in cases of financial 17 hardship. Information about such waivers for such amounts and the criteria and procedures for obtaining a waiver shall be made available to all affected students in 18 19 a timely manner. 20 Section 2. This Act shall become effective upon signature by the governor or, if not 21 signed by the governor, upon expiration of the time for bills to become law without signature 22 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

23 vetoed by the governor and subsequently approved by the legislature, this Act shall become

24 effective on the day following such approval.

### 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 1166 Engrossed	2016 Regular Session	Nancy Landry
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Abstract: Instead of eliminating some students as award recipients if the legislature insufficiently funds the Taylor Opportunity Program for Students (TOPS), allows all recipients to retain their awards but provides for cutting all awards on a pro rata basis.

<u>Present law</u> 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. Requires the legislature annually to appropriate funds sufficient to cover the costs of TOPS awards.

<u>Present law</u> provides, if the legislature appropriates insufficient money to fund all awards, for reducing the number of students receiving awards pursuant to a procedure adopted by the administering agency; requires that such procedure provide for eliminating students based on ACT score and the ability of families to pay tuition. <u>Proposed law</u>, instead of providing for such elimination, requires the reduction of award amounts on a pro rata basis. Authorizes public postsecondary education institutions to 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))