



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 562** HLS 19RS 796
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **W/ SEN FLOOR AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: June 3, 2019	8:58 AM	Author: EMERSON
Dept./Agy.: Board of Regents		Analyst: Ryan Guidry
Subject: Proprietary Schools		

SCHOOLS/PROPRIETARY REF SEE FISC NOTE SG RV See Note Page 1 of 1
 Provides relative to proprietary schools

Proposed law makes technical corrections, removes obsolete provisions, and reorganizes present law related to proprietary schools.

Proposed law expands the definition of "proprietary school" to include out-of-state enterprises that provide online-instruction within the state of Louisiana

Proposed law removes the authority given to proprietary schools to grant associate degrees.

Proposed law clarifies that the attorney general shall provide legal representation to any postsecondary institution granted an exemption from the state's risk management program.

EXPENDITURES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2019-20	2020-21	2021-22	2022-23	2023-24	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Board of Regents (BOR) staff currently performs all administrative functions related to proprietary schools outlined in proposed law; therefore, there will be no workload increase. Additionally, the Office of the Attorney General Risk Litigation division currently handles claim litigation for LSU, which is the only postsecondary institution currently exempted from the state's risk management program; therefore, there is no anticipated material impact on expenditures.

REVENUE EXPLANATION

There should be no direct material effect on SGR or the statutorily dedicated Proprietary School Student Protection Fund as a result of this measure. The fee schedule established in proposed law is the same as present law. BOR indicates that the expansion of the definition of "proprietary school" to include out-of-state enterprises that provide online-instruction in the state of Louisiana should not increase the number of licensed proprietary schools. However, to the extent that the expansion of the definition of "proprietary school" does expand eligibility to new out-of-state enterprises, additional licenses and assessment fees revenues could accrue to SGR and the Proprietary School Student Protection Fund.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director