LEGISLATIVE FISCAL OFFICE
Fiscal Note

Louisiana Legislative Fiscal Office — Fiscal Notes

Fiscal Note On: **HB 407** HLS 26RS 1340
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 30, 2026 2:22 PM **Author:** LARVADAIN
Dept./Agy.: Higher Education
Subject: M.J. Foster Promise Program **Analyst:** Tanesha Morgan

HIGHER EDUCATION EN -$1,100,000 SD EX See Note

Provides relative to initial eligibility requirements for the M.J. Foster Promise Program

Present law provides for the M.J. Foster Promise Program, a financial assistance program for students attending a two-year public postsecondary education institution or proprietary school who are enrolled in certain qualified programs. Provides for specific initial eligibility requirements, including meeting minimum age requirements. Proposed law removes present law minimum age requirements and requires that an applicant be at least 21 years old for initial eligibility to receive a program award in academic years 2026-2027 and 2027-2028.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	**($1,100,000)**	**($1,100,000)**	$0	$0	$0	**($2,200,000)**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**($1,100,000)**	**($1,100,000)**	**$0**	**$0**	**$0**	**($2,200,000)**

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	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	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

EXPENDITURE EXPLANATION

Proposed law is anticipated to decrease Statutory Dedication expenditures out of the M.J. Foster Promise Program Fund by at least $1.1 M in FYs 27 and 28. This estimate is based on FY 26 disbursements to 202 nineteen-year-olds and 163 twenty-year-olds, who are expected to receive approximately $1.1 M in awards this year and would lose initial eligibility under proposed law. The LFO cannot determine the full fiscal impact because data is not yet available for 17 and 18-year-old applicants who would have become eligible under present law's phase-down schedule.

Present law, pursuant to Act 633 of the 2024 Regular Session, annually phases down the minimum age requirement for program eligibility from 19 years old in 2025-2026, to 18 years old in 2026-2027, and to 17 years old in 2027-2028 and thereafter. Proposed law changes this phase down by setting the minimum age requirement to at least 21 years old for academic years 2026-2027 and 2027-2028, thereby narrowing the pool of eligible applicants in those years. The average M.J. Foster Promise Program award amount is approximately $2,738 per student per year. For informational purposes, the FY 26 budget is $10.5 M and is expected to be expended by the end of the fiscal year. The FY 27 budget includes $25 M for this program.

Note: Deposits into the M.J. Foster Promise Program Fund are from any source, including private business, industry, foundations, and other groups, as well as any available federal or other governmental funding. State appropriations for the program shall not exceed $40 M per year for students enrolled in public postsecondary education institutions and proprietary schools.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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}

Patrice Thomas
Deputy Fiscal Officer