The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jeanne C. Johnston.

DIGEST 2016 Regular Session

SB 470 Reengrossed

Morrish

<u>Present law</u> provides that in the event the legislature fails to appropriate sufficient money to fund all awards made to students who qualify for a TOPS award, the administering agency will establish a procedure to reduce the number of students who will receive awards based on ACT scores and the student's ability to pay tuition, as determined by federal guidelines for determining student financial need.

Provides that the first cohort of students eliminated will be those who score lowest on the ACT. Further provides that within this cohort, those students whose families are most able to pay the student's tuition will be eliminated first. If funding is still insufficient after the elimination of all students in this cohort, this procedure will be repeated with each succeeding score cohort.

Provides that among students so denied their awards, students whose families have the least capacity to pay shall be the first to receive their awards if monies become available. Students for whom the expected family contribution cannot be determined shall be denied their award until the legislature appropriates sufficient monies to fund all awards to qualifying students.

<u>Proposed law</u> retains <u>present law</u>, but provides that the number of students who can receive a TOPS award shall not be reduced, unless JLCB fails to approve a reduction in award amounts for all students who received a TOPS award.

<u>Proposed law</u> provides that before reducing the number of students eligible to receive a TOPS award as provided in <u>present law</u>, the administering agency, subject to approval by the Jt. Legislative Committee on the Budget (JLCB), shall equitably reduce the amount of all program awards, including the stipends for the Performance and Honors awards, by an equal percentage on a pro rata basis. Provides that the total amount of all awards in any award year shall not exceed available funds, either from legislative appropriation or another source.

<u>Proposed law</u> provides that if JLCB fails to approve a pro rata reduction in all award amounts, the provisions of <u>present law</u> providing for a reduction in the number of students to whom awards shall be made will apply.

<u>Proposed law</u> provides that if TOPS award amounts are reduced, public postsecondary institutions may bill a student for the difference between the student's TOPS award and the amount of tuition established for the institution in which he is enrolled, unless the student is granted a tuition waiver.

<u>Proposed law</u> provides that if the number of students eligible to receive a TOPS award is reduced, postsecondary institutions may bill a student for the full amount of tuition established for the institution in which he is enrolled, unless the student is granted a tuition waiver.

<u>Proposed law</u> provides that a student whose award is reduced or eliminated pursuant to <u>proposed law</u> is not required to accept payment of his award or to enroll or maintain continuous enrollment in an eligible college or university during the time period for which there is a funding shortfall and may defer acceptance of his award benefits. Further provides that if a student opts to defer acceptance of his award payment, all of the following apply:

- (1) The student, upon enrollment or re-enrollment in an eligible college or university, is eligible to receive all applicable award benefits for any remaining semester or semesters, or the equivalent thereof, of his unused eligibility.
- (2) The student must meet all academic and other eligibility requirements established by law or rule, except as otherwise provided in <u>proposed law</u>.
- (3) The student must exhaust all unused award eligibility within five years of the initial reduction or elimination of his award, provided that if the student requests and is granted an exception for cause to the requirement to enroll or to maintain continuous enrollment in an eligible college or university, the time period within which the student must exhaust his award eligibility shall be extended by the amount of time for which he was granted an exception.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 17:5065(D))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

- 1. Allows a student whose award is reduced or eliminated due to insufficient funding to defer acceptance of his award payment and retain the option to later accept and receive his award for all semesters, or equivalent thereof, for which he qualifies to receive his TOPS award.
- 2. Requires the student to exhaust all such unused award eligibility within five years of the initial reduction/elimination of his award, unless granted an exception for cause; in which case the time period to exhaust unused award eligibility is extended by the amount of time the exception was granted.