

2015 Regular Session

HOUSE RESOLUTION NO. 178

BY REPRESENTATIVES JEFFERSON AND WESLEY BISHOP

A RESOLUTION

To urge and request the Board of Regents, in collaboration with the Louisiana Student Financial Assistance Commission, study the state's merit-based and need-based student financial assistance programs and to submit a written report of findings, conclusions, and recommendations to the House Committee on Education not later than sixty days prior to the beginning of the 2016 Regular Session of the Legislature of Louisiana.

WHEREAS, R.S. 17:3129.7 requires the Board of Regents to develop and maintain a comprehensive state student financial aid plan that supports the Master Plan for Public Postsecondary Education and to consider all sources of financial aid available to students attending or seeking to attend postsecondary education institutions in Louisiana and the financial needs of such students; and

WHEREAS, two major components of student financial aid in Louisiana are the merit-based Taylor Opportunity Program for Students (TOPS) and the need-based Louisiana GO Grant program; and

WHEREAS, the purpose of TOPS, according to the Louisiana Administrative Code, Chapter 7, Section 701, is to provide an incentive for Louisiana residents to academically prepare for and pursue postsecondary education in this state, resulting in an educated work force enabling Louisiana to prosper in the global market of the future; and

WHEREAS, relative to the purpose of the Louisiana GO Grant program, the legislature finds in R.S. 17:3046 that leveraging access to postsecondary education for students with demonstrated financial need ensures that all qualified students are afforded an opportunity to achieve their full educational potential, increase their overall quality of life, and maximize their contribution to the state's economic development; and

WHEREAS, though TOPS and the GO Grant program are excellent programs that have helped thousands of Louisiana students in their pursuit of postsecondary education, there are some aspects of the overall financial aid landscape in Louisiana that merit further analysis and consideration; and

WHEREAS, one issue that many find concerning about TOPS is that TOPS awards are disproportionately awarded to white, relatively wealthy students, as noted in the *TOPS Report: Analysis of the TOPS Program from 2003-2014*, published by the Board of Regents, which states that during this time span, approximately seventy-nine percent of TOPS recipients were white, and the mean and median household income of TOPS recipients ranged from \$70,000 to \$99,000, much higher than Louisiana's median household income of approximately \$44,000; and

WHEREAS, another concern that some have raised about TOPS is the award retention rate of its recipients; this same Board of Regents report states that approximately one-third of TOPS recipients between 2003 and 2014 had their award cancelled during some point in their postsecondary academic career; and

WHEREAS, one of the most widely discussed matters related to TOPS is its cost; according to the report, the state spent approximately \$1.9 billion funding the TOPS program from 1999 through 2014, and during that time period, total expenditures on the program increased 296%; and

WHEREAS, in terms of elements of the Go Grant program that call for continued study, its underfunding ranks above all; in 2011, the Louisiana Budget Project (LBP) published a report stating that in Louisiana, "spending on need-based aid is consistently out of line with that of other states" and that the GO Grant Program "has been chronically underfunded"; and

WHEREAS, this LBP report also points out that "even with a maximum allowable GO Grant, students can have large, unmet financial needs" and that "compared to other Southern states and to states nationally, Louisiana spends a disproportionately large share of its financial aid resources on those who can readily afford college while providing too little to those who need financial help in order to have a chance at a college education"; and

WHEREAS, calling for more need-based aid, the LBP report states that "students from low-income and minority backgrounds – those who have been traditionally

underrepresented in Louisiana's colleges and universities – are less likely to benefit from TOPS" and "to ensure that higher education remains accessible to all Louisianans, Louisiana needs to redirect its financial aid resources and to increase funding to its need-based financial aid program"; and

WHEREAS, this report's ultimate recommendation is that "legislators should strike a balance between funding TOPS and Go Grants so that taxpayer dollars maximize attendance across all income levels"; and

WHEREAS, in light of the state's precarious budget situation and the fundamental importance of postsecondary education, it is imperative that the positive and negative aspects of the state's merit-based and need-based student financial aid programs receive a thorough study.

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby urge and request the Board of Regents, in collaboration with the Louisiana Student Financial Assistance Commission, to study the state's merit-based and need-based student financial assistance programs and to submit a written report of findings, conclusions, and recommendations to the House Committee on Education not later than sixty days prior to the beginning of the 2016 Regular Session of the Legislature of Louisiana.

BE IT FURTHER RESOLVED that such report shall analyze the strengths and weaknesses of both merit-based and need-based programs in the state and provide recommendations for how such programs might be revised in terms of helping more Louisiana students maximize their postsecondary education opportunities and success.

BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted to the chairman of the Board of Regents, the commissioner of higher education, and the chairman of the Louisiana Student Financial Assistance Commission.

SPEAKER OF THE HOUSE OF REPRESENTATIVES