

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 676** HLS 20RS 722

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 15, 2020	8:23 AM	Author: EMERSON
Dept./Agy.: Higher Education		Analyst: Jodi Mauroner
Subject: Debt Recovery		

HIGHER EDUCATION EG DECREASE SG RV See Note Page 1 of 1
Prohibits a postsecondary education institution from withholding certain student services for financial reasons

Proposed legislation prohibits public post secondary institutions from refusing to provide a transcript for current or former students on the grounds that the student owes a debt; prohibits provision of the transcript on a payment of the debt; charge a higher fee because the student owes a debt; or use the transcript as a debt collection tool. Further prohibits an institutions from withholding services from a student who is in default on a federal loan, including providing grades, diplomas, course registration services, or transcripts.

Effective August 1, 2020

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	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>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
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>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated impact to expenditures of public post secondary institutions as a result of the prohibitions on collecting student debt.

REVENUE EXPLANATION

There will be a decrease in the revenues of public post secondary institutions as a result of the prohibitions on actions institutions may take to collect outstanding student debt. Outstanding student debt may consist of unpaid tuition and fees, parking fines, housing costs, and other charges. Currently, some institutions choose to withhold transcripts until such debt is repaid. Proposed legislation prohibits institutions from withholding these documents and/or increasing fees to obtain transcripts. It is unknown the extent to which this will impact the collections of these outstanding debts.

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