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AGENDA
Louisiana Tuition Trust Authority
Wednesday, April 28, 2021
9:00 a.m.

Claiborne Building, 1st Floor
Louisiana Purchase Room 1-100
1201 North Third Street
Baton Rouge, Louisiana

- I. Call to Order
- II. Roll Call
- III. Public Comments
- IV. Approval of the Minutes
- V. Consent Agenda
 - A. Approval of Final Rulemaking – Final ABLE Rulemaking to Implement Federal Regulations issued by the Internal Revenue Service
 - B. Approval of Rulemaking – To add the START Saving Plan interest rates for the Principal Protection Plan and the Earnings Enhancement Fund for the 2020 calendar year.
- VI. Adjournment

LATTA Members: Dr. Kim Hunter Reed, Chair; Blake R. David; Randy L. Ewing; Sen. Cleo Fields; Stephanie A. Finley; Rachel Kincaid; Robert W. Levy; Phillip R. May, Jr.; Charles R. McDonald; Rep. Buddy Mincey; Darren G. Mire; Sonia A. Pérez; Wilbert D. Pryor; T. Jay Seale III; Gary N. Solomon, Jr.; Collis B. Temple III; Felix R. Weill; John Williams; Judy A. Williams-Brown; Chandler Vidrine, Student



*Student Tuition Assistance and Revenue Trust Program
Louisiana's 529 College Savings Program
A Program of the Board of Regents
602 North Fifth Street
Baton Rouge, LA 70802
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**Louisiana Tuition
Trust Authority**

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Minutes

**Louisiana Tuition Trust Authority (LATTA)
January 6, 2021**

The Louisiana Tuition Trust Authority (LATTA) met on Wednesday, January 6, 2021 at 9:30 a.m. via Zoom Webinar and Conference Call due to social distancing mandate by the Louisiana Governor for the COVID-19 pandemic. The notice of the virtual meeting and certificate of the virtual meeting was placed on the agency's Website that administers the START Saving Program. Commissioner Reed called the meeting to order and the roll was called.

LATTA Members Present

Dr. Kim Hunter-Reed, Chair
Regent Marty Chabert
Regent Blake David
Regent Randy Ewing
Ms. Rachel Kincaid
Regent Robert Levy
Regent Phillip May
Regent Charles McDonald
Rep. Buddy Mincey
Regent Darren Mire
Regent Sonia Pérez
Regent Wilbert Pryor
Regent T. Jay Seale
Regent Gary Solomon
Regent Collis Temple
Regent Chandler Vidrine
Regent Felix Weill

Guest Present¹

Stephanie Finley

LATTA Members Absent

Senator Cleo Fields
Mr. John Williams

Staff Members Present

Dr. Sujuan Boutté
Rhonda Bridevaux
Robyn Lively

Seventeen members were present, which represented a quorum.

The Certification of Virtual Meeting was presented and there was no public comment.

On motion of Regent Levy, seconded by Regent Chabert, the LATTA approved the minutes from the August 13, 2020 meeting.¹

Under the Consent Agenda, it was proposed that the LATTA authorize publication of final rule to amend the START Saving Program administrative rules to amend Section 311 to implement the provisions of Act 56 of the 2020 Regular Session of the Louisiana Legislature and authorize the Executive Director to publish notice of intent to make these rules permanent.

It was proposed that the LATTA approve the rulemaking to implement final federal regulations issued by the Internal Revenue Service on October 1, 2020, and authorize the Executive Director to publish notice of intent to make these rules permanent.

On a motion of Regent Ewing, seconded by Regent Chabert the LATTA approved the Consent Agenda items.¹

There being no further business, on a motion of Regent Ewing and seconded by Regent Chabert, the meeting adjourned at 9:35 am.

¹ Regent Finley was sworn in at the Board of Regents meeting that began after this LATTA meeting. She was present but did not have voting privileges for this meeting.

Agenda Item V.A.

Consent Agenda: Approval of Final Rulemaking

Authorize publication of final rule to implement final federal regulations issued by the Internal Revenue Service on October 1, 2020.

Background:

At its January 6, 2021, meeting, the Louisiana Tuition Trust Authority authorized publication of a Notice of Intent to effect the below-described rule changes. The Notice of Intent was published in the *Louisiana Register* on February 20, 2021.

No comments have been received.

This rulemaking:

- Provides for a hierarchy of individuals with a connection to the eligible individual who may serve as administrator of an ABLE Account;
- Deletes the requirement that an administrator of an ABLE account provide documentation of his relationship to the eligible individual and requires only that the administrator certify that he is eligible to serve as administrator and that no one higher in the established hierarchy is able and/or willing to serve as administrator;
- Provides that the eligible individual, or the administrator acting on his behalf, must annually certify that he remains an eligible individual under Section 529a of the Internal Revenue Code;
- Provides that no deposits can be accepted once the account owner ceases to be an eligible individual;
- Provides that once the account owner ceases to be an eligible individual, he has five years to become eligible again;
- Provides that if the account owner does not regain status as an eligible individual within 5 years, the ABLE account must be closed and the account balance refunded or rolled over to the account of a member of the family of the account owner who is no longer an eligible individual;
- Makes technical corrections to eliminate references to the START Saving Program that were inadvertently included in original LA ABL Account Program rulemaking.

Louisiana ABL Advisory Council Recommendation:

The Louisiana ABL Account Advisory Council recommends that the Louisiana Tuition Trust Authority authorize publication of the final rule.

Agenda Item V.B.

Consent Agenda: Approval of Rulemaking

Rulemaking to amend Section 315 of the START Saving Program rules to add the applicable interest rates for the START Saving Program for the 2020 calendar year.

Background:

This rulemaking adds the interest rates to be applied to deposits in the START Saving Plan's principal protection option and to be applied for eligible Earnings Enhancements for the tax year ending December 31, 2020.

LSA-R.S. 17:3095E(2) requires the State Treasurer to determine and report to the Louisiana Tuition Trust Authority the total earnings and the rate of return achieved on deposits in the Louisiana Education Tuition and Savings Fund (the "Fund") and, based upon that report, the Authority, with the approval of the State Treasurer, shall establish the rate of interest to be applied to the accumulated funds in the START accounts of record and to credit the appropriate amount of interest earnings to each such account. LSA-R.S. 17:3093D(1)(f) requires the Authority to adopt rules that include the interest rates approved by the state treasurer to be paid on START Accounts of record at the close of each calendar year.

The compilation of quarterly reports received from the State Treasurer for the year ending December 31, 2020, indicate that on an average daily balance of deposits of \$310,200,944.03, the Fund earned \$4,349,666.48. Further, the compilation of quarterly reports of the State Treasurer indicate that the Savings Enhancement Fund, which contains the Earnings Enhancements annually appropriated by the state legislature, earned \$441,977.12 on an average daily balance of \$22,443,813.98. The State Treasurer has notified the Authority by letter dated February 3, 2021, that the approved, calculated interest rate for deposits was 1.40% and for Earnings Enhancements was 1.97%.

Louisiana Advisory Board Recommendation:

That the Louisiana Tuition Trust Authority approve the rulemaking to amend Section 315 of the START Saving Program rules to add the applicable interest rates for the START Saving Program for the 2020 calendar year.