

2022 Regular Session

HOUSE BILL NO. 196

BY REPRESENTATIVE NELSON

HIGHER EDUCATION: Creates the Stimulating More Advanced Research and Technology (SMART) Program and the SMART Fund for the purpose of awarding grants to support research at public postsecondary education institutions

1 AN ACT

2 To enact R.S. 17:3138.10, relative to postsecondary education; to create the Stimulating
3 More Advanced Research and Technology Program for the purpose of awarding
4 grants to support research in science, technology, engineering, and mathematics at
5 certain postsecondary education institutions; to provide for program administration
6 by the Board of Regents; to specify the purposes for which grants are awarded; to
7 create the Stimulating More Advanced Research and Technology Fund for the
8 purpose of funding the program; to direct the state treasurer to deposit certain monies
9 into the fund; to require the Board of Regents to report annually relative to the
10 program; to require the Board of Regents to adopt rules relative to the program; and
11 to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 17:3138.10 is hereby enacted to read as follows:

14 §3138.10. Stimulating More Advanced Research and Technology (SMART)

15 Program and Fund

16 A.(1) The Stimulating More Advanced Research and Technology Program,

17 referred to in this Section as the "SMART Program" or the "program", is hereby

18 established for the purpose of awarding grants to support research in the fields of

1 science, technology, engineering, and mathematics, collectively referred to in this
2 Section as "STEM", at public postsecondary education institutions and institutions
3 that are members of the Louisiana Association of Independent Colleges and
4 Universities.

5 (2) For purposes of this Section, STEM does not include psychology or other
6 behavioral sciences.

7 B. The SMART Program shall be administered by the Board of Regents,
8 referred to in this Section as the "board", which shall provide for application
9 requirements, evaluation criteria, and selection.

10 C. Grants awarded through the program shall be used to support STEM
11 disciplines for the following purposes:

12 (1) Matching research grants from federal agencies and other sources.

13 (2) Awarding hiring bonuses and startup packages for the purpose of
14 attracting distinguished faculty.

15 (3) Construction, improvement, or procurement of research facilities,
16 laboratories, equipment, and supplies.

17 (4) Scholarships and stipends for graduate students.

18 D.(1) As funding allows, the board shall award grants on a competitive basis
19 among the four purposes provided for in Subsection C of this Section with a
20 preference for those purposes related to research that has the opportunity for
21 commercialization.

22 (2)(a) At least twenty percent of the grants shall be awarded to public
23 postsecondary education institutions outside of the Baton Rouge and New Orleans
24 metropolitan regions.

25 (b) The board shall award grants such that the percentage of all grant
26 amounts in a year that is awarded to historically black colleges and universities is
27 approximately equal to the percentage of all students enrolled in postsecondary
28 education institutions who are enrolled at historically black colleges and universities.

1 (3) The board shall not use more than three percent of the funding available
2 for the program for costs associated with administering the program.

3 E.(1) The "Stimulating More Advanced Research and Technology Fund",
4 referred to in this Section as the "SMART fund" or the "fund", is hereby created
5 within the state treasury for the purpose of providing funding for the SMART
6 program.

7 (2) On July 1, 2026, the state treasurer is authorized and directed to transfer
8 one hundred fifty million dollars from the state general fund into the SMART fund.
9 Each July first thereafter the treasurer is authorized and directed to transfer from the
10 state general fund into the fund an amount sufficient to bring the balance of the fund
11 up to one hundred fifty million dollars.

12 (3) Monies in the fund shall be subject to appropriation by the legislature and
13 shall be available exclusively for use by the board for purposes of the SMART
14 program.

15 (4) All unexpended and unencumbered monies in the fund at the end of the
16 fiscal year shall remain in the fund and be available for appropriation the next fiscal
17 year. The monies shall be invested by the treasurer in the same manner as monies
18 in the state general fund, and all interest earned shall be credited to the fund
19 following compliance with the requirements of Article VII, Section 9(B) of the
20 Constitution of Louisiana, relative to the Bond Security and Redemption Fund.

21 E. The board shall annually conduct a return on investment analysis for the
22 program and shall submit a written report relative to this analysis to the House
23 Committee on Education, the Senate Committee on Education, the House Committee
24 on Appropriations, and the Senate Committee on Finance not later than January
25 thirty-first annually.

26 F. The board shall adopt rules and regulations for the implementation of this
27 Section.

1 Section 2. The provisions of Section 1 of this Act shall become effective when an
2 Act of the Louisiana Legislature containing a specific appropriation of monies for the
3 implementation of the provisions of this Act becomes effective.

4 Section 3. The provisions of Sections 2 and 3 of this Act shall become effective
5 upon signature by the governor or, if not signed by the governor, upon expiration of the time
6 for bills to become law without signature by the governor, as provided by Article III, Section
7 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved
8 by the legislature, the provisions of Sections 2 and 3 of this Act shall become effective on
9 the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 196 Reengrossed

2022 Regular Session

Nelson

Abstract: Creates the Stimulating More Advanced Research and Technology (SMART) Program and SMART fund for the purpose of awarding grants to support research in science, technology, engineering, and math at public postsecondary education institutions.

Proposed law establishes the SMART Program for the purpose of awarding grants to support research in the fields of science, technology, engineering, and mathematics (STEM) at public postsecondary education institutions and institutions that are members of the La. Assoc. of Independent Colleges and Universities. Provides for program administration by the Bd. of Regents. Proposed law further:

- (1) Provides that grants shall be used for the following purposes:
 - (a) Matching research grants from federal agencies and other sources.
 - (b) Awarding hiring bonuses and startup packages for the purpose of attracting faculty.
 - (c) Construction, improvement, or procurement of research facilities, laboratories, equipment, or supplies.
 - (d) Scholarships and stipends for graduate students.
- (2) Requires the board, as funding allows, to award grants on a competitive basis among the four categories above with a preference for those purposes related to research that has the opportunity for commercialization.
- (3) Requires at least 20% of the grants to be awarded to institutions outside of the Baton Rouge and New Orleans metro regions.

- (4) Requires the percentage of all grant amounts in a year that is awarded to historically black colleges and universities be approximately equal to the percentage of all students enrolled in post secondary education institutions who are enrolled at historically black colleges and universities.

Proposed law creates the SMART Fund within the state treasury for the purpose of providing funding for the SMART program and:

- (1) Authorizes and directs the state treasurer, on July 1, 2026, to transfer \$150 million from the state general fund into the fund. Each subsequent July 1, requires the state treasurer to transfer from the state general fund into the fund an amount sufficient to bring the balance of the fund to \$150 million.
- (2) Provides that monies in the fund are subject to legislative appropriation and shall be available exclusively for use by the Bd. of Regents for the SMART program.

Proposed law requires the board to submit a written report containing a return on investment analysis to the House and Senate education committees, the House Committee on Appropriations, and the Senate Committee on Finance not later than Jan. 31st annually and to adopt rules and regulations for the implementation of proposed law.

Effective upon appropriation of funds by the legislature.

(Adds R.S. 17:3138.10)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill:

1. Add institutions that are members of the La. Assoc. of Independent Colleges and Universities as eligible recipients of grants pursuant to proposed law.
2. Add requirement that grants be awarded such that the percentage of all grant amounts in a year that is awarded to historically black colleges and universities is approximately equal to the percentage of all students enrolled in postsecondary education institutions who are enrolled at historically black colleges and universities.
3. Remove requirement that each year the treasurer transfer \$150,000,000 from the state general fund into the fund.
4. Add requirement that on July 1, 2026, the treasurer transfer \$150,000,000 from the state general fund into the fund. Thereafter, each July 1, require the treasurer to transfer from the state general fund into the fund an amount sufficient to bring the balance of the fund up to \$150,000,000.
5. Make effectiveness of proposed law subject to appropriation of funds by the legislature.
6. Make technical changes.