

2019 Regular Session

HOUSE BILL NO. 470

BY REPRESENTATIVE GLOVER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

COLLEGES/UNIVERSITIES: Provides for the merger of Louisiana Tech University and Louisiana State University at Shreveport

1 AN ACT

2 To enact R.S. 17:3233.1 through 3233.7 and to repeal R.S. 17:3215(5), relative to
3 postsecondary education; to provide for the transfer of Louisiana State University at
4 Shreveport to the University of Louisiana System; to provide relative to the transfer
5 of the facilities, resources, funds, obligations, and functions of such institution and
6 related foundations; to provide for the merger of Louisiana Tech University and
7 Louisiana State University at Shreveport; to provide for the transition responsibilities
8 of such institutions and their management boards; to provide for cooperative
9 agreements; to provide relative to accreditation; to provide relative to student
10 enrollment, program completion, and the awarding of diplomas; to provide relative
11 to employees; to provide relative to funding; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 17:3233.1 through 3233.7 are hereby enacted to read as follows:

14 §3233.1. Louisiana State University at Shreveport; transfer to the University of
15 Louisiana System

16 A. (1) Not later than August 1, 2019, the chancellor of Louisiana State
17 University at Shreveport shall submit a letter to the president of the Southern
18 Association for Colleges and Schools, Commission on Colleges, stating his intent for
19 a change in governance for the institution from the Board of Supervisors of

1 Louisiana State University and Agricultural and Mechanical College to the Board of
2 Supervisors for the University of Louisiana System.

3 (2) The chancellor, faculty, and administration of Louisiana State University
4 at Shreveport shall comply with all established timelines, requirements, and
5 procedures to ensure that the requested change of governance is effected upon
6 commission approval.

7 B. Upon commission approval, Louisiana State University at Shreveport and
8 the assets, funds, obligations, liabilities, programs, and functions related thereto are
9 immediately transferred to the University of Louisiana System and shall be under the
10 management and supervision of the Board of Supervisors for the University of
11 Louisiana System.

12 §3233.2. Merger of Louisiana Tech University and Louisiana State University at
13 Shreveport

14 A. Not later than July 1, 2020, the president of Louisiana Tech University
15 and the chancellor of Louisiana State University at Shreveport shall submit jointly
16 a letter to the president of the Southern Association for Colleges and Schools,
17 Commission on Colleges, stating their intent to merge and operate under the
18 management and supervision of the Board of Supervisors for the University of
19 Louisiana System.

20 B. The administration and faculty of each institution and the board of
21 supervisors shall comply with all commission requirements and procedures to ensure
22 that the requested merger is effected upon receipt of approval from the commission
23 and final approval from the board of supervisors as provided by commission policy.

24 C. Upon approval by the commission and final approval by the board of
25 supervisors, Louisiana State University at Shreveport shall cease to exist as a
26 separately accredited institution and shall be merged, along with its assets, funds,
27 obligations, liabilities, programs, and functions, with Louisiana Tech University.

28 §3233.3. University of Louisiana System; transition responsibilities

29 The Board of Supervisors for the University of Louisiana System shall:

1 (1) Develop policies and procedures to resolve issues related to the status
2 and tenure of employees of Louisiana State University at Shreveport that may arise
3 from its transfer to the University of Louisiana System.

4 (2) Assist the administrative staff of Louisiana Tech University and Louisiana
5 State University at Shreveport in developing and implementing a comprehensive
6 academic and operational plan to facilitate the merger.

7 (3) Assist Louisiana Tech University and Louisiana State University at
8 Shreveport in preparing and submitting their joint prospectus for merger to the
9 Southern Association for Colleges and Schools, Commission on Colleges.

10 §3233.4. Louisiana State University System; transition responsibilities; restrictions

11 A. The Board of Supervisors of Louisiana State University and Agricultural
12 and Mechanical College shall:

13 (1) Continue to exercise its authority to supervise and manage Louisiana
14 State University at Shreveport until the Southern Association for Colleges and
15 Schools, Commission on Colleges, approves the requested change in governance and
16 the transfer of the university to the University of Louisiana System.

17 (2)(a) Work with the Board of Supervisors for the University of Louisiana
18 System to ensure that the transfer is effected upon receipt of commission approval.

19 (b) Prior to such approval, enter into agreements to transfer as many
20 administrative and supervisory functions, with respect to Louisiana State University
21 at Shreveport, as possible without adversely affecting its accreditation status.

22 (3) Upon such approval, transfer all assets, funds, facilities, property,
23 obligations, liabilities, programs, and functions of Louisiana State University at
24 Shreveport to the University of Louisiana System.

25 B. The Board of Supervisors of Louisiana State University and Agricultural
26 and Mechanical College shall not:

27 (1) Interfere with or impede the processes to transfer Louisiana State
28 University at Shreveport to the University of Louisiana System or for the merger of
29 the institution with Louisiana Tech University.

1 (2) Sell, transfer, or otherwise remove any asset or thing of value, movable
2 or immovable, corporeal or incorporeal, attributable to or owned by Louisiana State
3 University at Shreveport or owned, leased, or operated by any foundation related to
4 the institution. In addition, access to any asset leased to any foundation related to
5 Louisiana State University at Shreveport shall not be restricted or denied.

6 (3) Incur, transfer, or assign any debt or other responsibility or obligation to
7 Louisiana State University at Shreveport that is not attributable to the institution.

8 (4)(a) Disproportionately reduce or reallocate the level of funding that would
9 otherwise be allocated to Louisiana State University at Shreveport pursuant to the
10 postsecondary education funding formula.

11 (b) Until Louisiana State University at Shreveport is transferred to the
12 University of Louisiana System, impose any budget reductions or changes in funding
13 allocations upon the institution without prior review and approval from the Joint
14 Legislative Committee on the Budget.

15 (5) Take any personnel action with regard to any instructional or
16 administrative employee of Louisiana State University at Shreveport without the
17 prior approval of the Board of Supervisors for the University of Louisiana System.

18 §3233.5. Board of Regents; transition responsibilities

19 The Board of Regents shall provide oversight, guidance, and support to all
20 postsecondary education management boards, systems, and institutions throughout
21 the processes to transfer Louisiana State University at Shreveport to the University
22 of Louisiana System and the merger of Louisiana Tech University and Louisiana
23 State University at Shreveport.

24 §3233.6. Students; continuation of enrollment; courses of study; diplomas

25 A. Every student enrolled in and in good standing with Louisiana State
26 University at Shreveport at the time of the transfer of the institution to the University
27 of Louisiana System or at the time of the merger of the institution with Louisiana
28 Tech University shall be allowed to continue his enrollment and complete his

1 prescribed course of study if he remains in good standing with the institution in
2 which he is enrolled.

3 B.(1) A student who completes degree requirements and graduates prior to
4 the merger shall receive a diploma awarded by and in the name of Louisiana State
5 University at Shreveport.

6 (2) A student who completes degree requirements and graduates after the
7 merger shall receive a diploma awarded by and in the name of Louisiana Tech
8 University.

9 §3233.7. Funds and funding

10 A. Beginning with the 2019-2020 Fiscal Year, all funds previously paid by
11 Louisiana State University at Shreveport to the Board of Supervisors of Louisiana
12 State University and Agricultural and Mechanical College shall be paid instead to the
13 Board of Supervisors for the University of Louisiana System. The total amount of
14 such payments shall not be less than that paid during the 2018-2019 Fiscal Year.

15 B. The commissioner of administration shall ensure that sufficient funds and
16 resources are available to effect the transfer of Louisiana State University at
17 Shreveport to the University of Louisiana System. Such funding and resources shall
18 not impact the Board of Regents's formula for the equitable distribution of funds to
19 institutions of postsecondary education.

20 Section 2. R.S. 17:3215(5) is hereby repealed in its entirety.

21 Section 3.(A) This Act is not intended to nor shall it be construed to impair the
22 contractual or other obligations of any agency, office, board, commission, department, or
23 political subdivision of the state. Upon the effective date of the transfer of Louisiana State
24 University at Shreveport, all obligations of the Board of Supervisors of Louisiana State
25 University and Agricultural and Mechanical College related to this institution become
26 obligations of the Board of Supervisors for the University of Louisiana System to the same
27 extent as if originally incurred by it.

28 (B) All funds and revenue previously dedicated to the payment of bonds related to
29 Louisiana State University at Shreveport shall continue to be collected and dedicated to such

1 payments unless other provision is made for such payments in accordance with law. Upon
 2 the effective date of the transfer of Louisiana State University at Shreveport, all acts relating
 3 to such bonds by the Board of Supervisors of Louisiana State University and Agricultural
 4 and Mechanical College shall be deemed to be acts of the Board of Supervisors for the
 5 University of Louisiana System in the same manner and to the same extent as if originally
 6 so done.

7 (C) No provision of this Act shall preclude a memorandum of understanding under
 8 which a debt obligation of the Board of Supervisors of Louisiana State University and
 9 Agricultural and Mechanical College existing on the effective date of this Act would remain
 10 in force after an agreement that the Board of Supervisors for the University of Louisiana
 11 System would otherwise be responsible for all payments, costs, and other covenants
 12 associated with such debt.. If the maintenance of debt by the Board of Supervisors of
 13 Louisiana State University and Agricultural and Mechanical College for properties or assets
 14 to be transferred to the Board of Supervisors for the University of Louisiana System is
 15 advantageous to the state of Louisiana, then the Board of Supervisors of Louisiana State
 16 University and Agricultural and Mechanical College shall make every effort to maintain
 17 such debt under a memorandum of understanding as described in this Section.

18 Section 4. This Act shall become effective upon signature by the governor or, if not
 19 signed by the governor, upon expiration of the time for bills to become law without signature
 20 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 21 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 22 effective on 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 470 Original

2019 Regular Session

Glover

Abstract: Provides for the transfer of LSU at Shreveport (LSU-S) from the LSU System to the Univ. of La. System and the merger of LSU-S with La. Tech University.

Proposed law provides for the transfer of Louisiana State University at Shreveport (LSU-S) from the LSU System to the University of Louisiana System (UL System) as follows:

- (1) Requires the chancellor of LSU-S to submit a letter to the president of the Southern Assoc. for Colleges and Schools, Commission on Colleges (SACS), by Aug. 1, 2019, stating his intent for a change in governance from the Bd. of Supervisors of the LSU System (LSU System board) to the Bd. of Supervisors for the UL System (UL System board).
- (2) Requires the chancellor, faculty, and administration of LSU-S to comply with all SACS timelines, requirements, and procedures to ensure that the requested change of governance is effected upon receipt of SACS approval.
- (3) Transfers LSU-S to the UL System, effective upon SACS approval.
- (4) Requires the UL System board to develop policies and procedures to resolve issues related to the status and tenure of LSU-S employees that may arise from the transfer.

Provides for the merger of La. Tech University (La. Tech) and LSU-S as follows:

- (1) Requires the president of La. Tech and the chancellor of LSU-S to submit jointly a letter to the SACS president, by July 1, 2020, stating their intent to merge under the management and supervision of the UL System board.
- (2) Requires the administration and faculty of each institution and the UL System board to comply with SACS requirements and procedures to ensure that the merger is effected upon SACS approval and final approval by the UL System board.
- (3) Provides that LSU-S shall cease to exist as a separately accredited institution and shall be merged with La. Tech upon receipt of SACS approval and final approval from the UL System board.

Requires the UL System board to:

- (1) Develop policies and procedures to resolve issues related to the status and tenure of LSU-S employees that may arise from the transfer to the UL System.
- (2) Assist the administrative staff of La. Tech and LSU-S in developing and implementing a comprehensive academic and operational plan to facilitate the merger.
- (3). Assist La. Tech and LSU-S to prepare and submit their joint prospectus for consolidation to SACS.

Requires the LSU System board to:

- (1) Continue to exercise its authority to supervise and manage LSU-S until SACS approval of the change in governance and transfer of the institution to the UL System.
- (2) Work with the UL System board to ensure that the transfer is effected upon receipt of SACS approval.
- (3) Enter into agreements to transfer as many LSU-S administrative and supervisory functions to the UL System, prior to receipt of SACS approval, as possible without adversely impacting its accreditation status.
- (4) Transfer all assets, funds, facilities, property, obligations, liabilities, programs, and functions relative to LSU-S to the UL System upon SACS approval.

Provides that the LSU System board shall not:

- (1) Interfere with or impede the processes to transfer LSU-S to the UL System.
- (2) Sell, transfer, or otherwise remove any asset or thing of value attributable to or owned by LSU-S or owned, leased, or operated by any foundation related it. Provides that access to any asset leased to any such foundation shall not be restricted or denied.
- (3) Incur, transfer, or assign any debt or other responsibility or obligation to LSU-S that is not attributable to it.
- (4) Disproportionately reduce or reallocate the level of funding that would otherwise be allocated to LSU-S pursuant to the postsecondary education funding formula. Provides that until LSU-S is transferred to the UL System, no budget reductions or changes in funding allocations for the institution shall be imposed without prior review and approval by the Jt. Legislative Committee on the Budget.
- (5) Take any personnel action with regard to any instructional or administrative employee of LSU-S without the prior approval of the UL System board.

Requires the Bd. of Regents to provide oversight, guidance, and support to all postsecondary management boards, systems, and institutions throughout the proposed law transfer and merger processes.

Provides the following relative to LSU-S students at the time of transfer or merger:

- (1) A student enrolled in and in good standing with LSU-S at the time of the transfer or merger shall be allowed to continue enrollment and complete his prescribed course of study if in good standing with the institution in which he is enrolled.
- (2) A student who completes degree requirements and graduates prior to the merger shall receive an LSU-S diploma.
- (3) A student who completes degree requirements and graduates after the merger shall receive a La. Tech diploma.

With respect to funding, proposed law provides as follows:

- (1) Beginning with FY19-20, any and all funds previously paid by LSU-S to the LSU System board shall be paid instead to the UL System board; the total amount of such payments shall not be less than that paid during FY18-19.
- (2) Requires the commissioner of administration to ensure that sufficient funds and resources are available to effect the transfer of LSU-S to the UL System. Provides that such funding and resources shall not impact the Bd. of Regents' postsecondary education funding formula.

Proposed law provides that proposed law is not intended nor shall it be construed to impair any contractual or other obligations of a state entity and obligations of the LSU System board related to LSU-S are obligations of the UL System board as if originally incurred by it.

Proposed law provides that all funds and revenues previously dedicated to repay bonds related to LSU-S shall continue to be collected and dedicated to such payments. Provides that acts related to such bonds by the LSU System board related to LSU-S shall be deemed to be acts of the UL System board as if originally so done.

Proposed law provides that it does not preclude a memorandum of understanding (MOU) between the boards under which existing debt of the LSU System board would remain in

force after an agreement that the UL System board would be responsible for all payments, costs, and other covenants associated with the debt. Requires the LSU System board to make every effort to maintain such debt under an MOU if it is advantageous to the state.

Present law places LSU-S in the LSU System. Proposed law repeals present law.

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

(Adds R.S. 17:3233.1-3233.7; Repeals R.S. 17:3215(5))