
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

SB 478 Original

DIGEST
2026 Regular Session

Boudreaux

Present law (R.S. 17:3134) creates an accountability process, developed by the Board of Regents (BOR), to provide for the systematic, ongoing evaluation of quality and effectiveness in the public institutions of higher education to be used to initiate curriculum, programmatic, funding, policy, or planning changes in higher education.

Proposed law removes the requirement for the development of an accountability process and requires the BOR to establish a uniform fiscal policy and accountability framework for public postsecondary education institutions.

Proposed law provides for the establishment of a uniform fiscal policy, that includes an institutional cash balance policy, that requires each public postsecondary education institution to submit a quarterly financial report to its management board.

Proposed law requires the report to include the following:

- (1) Quarterly revenues and expenditures, including comparisons to budgeted amounts.
- (2) Fund balances, including unrestricted, restricted, athletics, and auxiliary funds.
- (3) Cash flow and liquidity metrics.
- (4) Outstanding debt obligations and material changes thereto.
- (5) Actual and quarterly projected tuition and fee revenue.
- (6) Account receivable balances.
- (7) Identification of actual or projected deficits or financial risks.
- (8) Campus action plans as needed.
- (9) Any additional information as required by the Board of Regents.

Proposed law provides that each quarterly financial report must be submitted to the management board no later than 15 days after the close of each fiscal quarter, who then must submit compiled reports to the BOR no later than 30 days after the close of each fiscal quarter.

Proposed law provides that each management board must review and compile the reports and submit a system level quarterly financial report to the BOR that identifies institutions in financial distress and must provide a corrective action plan and timeline to address the fiscal challenges of the distressed institution.

Proposed law requires the BOR to develop and implement a fiscal early warning system to monitor the financial condition of each public postsecondary education institution and establish uniform financial metrics and risk indicators that include the following:

- (1) Structural deficits exceeding three percent of an institution's operating budget.
- (2) Declines in cash on hand below two months of operating expenses.
- (3) Negative cash flow.
- (4) Increasing debt burden or unsustainable debt service ratios.
- (5) Enrollment declines materially affecting revenue.
- (6) Increasing accounts receivable balance

Proposed law authorizes the BOR to require each management board to develop and implement a corrective action plan in response to an institution identified as being in fiscal distress that should be submitted to the BOR within 90 days of the institution being deemed in distress. The BOR will refer the matter to the office of inspector general for review if the management board fails to take corrective action.

Proposed law requires the BOR to annually submit a written report to the House Committee on Appropriations, the Senate Committee on Finance, and the Division of Administration no later than 60 days prior to the beginning of the legislative session.

Present law (R.S. 17:3452) creates the Louisiana Universities Marine Consortium for Research and Education as a body corporate under the authority of the BOR.

Present law (R.S. 17:3454) provides that the Louisiana Universities Marine Consortium for Research and Education will be subject to the governance of the BOR and all funds appropriated to the consortium will be appropriated as a separate line item within the appropriation of the board.

Proposed law changes the governing board over Louisiana Universities Marine Consortium for Research and Education from the BOR to the Board of Supervisors for LSU.

Present law (R.S. 17:3128.1) requires the BOR to conduct a survey of state colleges and universities in order to establish incubator facilities on qualified campuses.

Present law (R.S. 17:3168) requires the BOR to submit a written report to the Senate and House

committees on education on the status of statewide articulation and transfer of credit across all education institutions.

Proposed law repeals such requirements.

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

(Amends R.S. 17:3134, 3452, and 3454(A); repeals R.S. 17:3128.1 and 3168)