

2017 Regular Session

HOUSE BILL NO. 528

BY REPRESENTATIVE BROADWATER

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

HIGHER EDUCATION: Creates and provides for the Louisiana Postsecondary Education Board of Trustees as the successor of the Board of Regents

1 AN ACT

2 To enact Chapter 5-C of Title 17 of the Louisiana Revised Statutes of 1950, comprised of
3 R.S. 17:1891 through 1894, relative to the management of public postsecondary
4 education; to create the Louisiana Postsecondary Education Board of Trustees; to
5 provide for the board's powers, duties, and membership; to provide for the initial
6 appointments to and convening of the board; to require the board to develop a
7 transition plan relative to its role as the successor of the Board of Regents; to require
8 the board to submit reports relative to such plan to the legislature and the governor;
9 and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Chapter 5-C of Title 17 of the Louisiana Revised Statutes of 1950,
12 comprised of R.S. 17:1891 through 1894, is hereby enacted to read as follows:

13 CHAPTER 5-C. THE LOUISIANA POSTSECONDARY EDUCATION

14 BOARD OF TRUSTEES

15 §1891. Louisiana Postsecondary Education Board of Trustees; creation

16 The Louisiana Postsecondary Education Board of Trustees, referred to in this
17 Chapter as the Board of Trustees or the board, is hereby created as a body corporate.

18 §1892. Membership

19 The Board of Trustees shall be composed of seven members. The president
20 of each public postsecondary education system shall serve as an ex officio member

1 of the board, and one member shall be appointed by the governor, with consent of
2 the Senate, one member shall be appointed by the Louisiana House of
3 Representatives, and one member shall be appointed by the Louisiana Senate. The
4 governor's appointee shall serve as chairman of the board.

5 §1893. Powers

6 The Board of Trustees shall have the following powers, duties, and
7 responsibilities relating to public institutions of postsecondary education:

8 (1) To formulate and make timely revision of a master plan for
9 postsecondary education. As a minimum, the plan shall include a formula for
10 equitable distribution of funds to the institutions of postsecondary education. A
11 favorable vote of at least five board members shall be required for adoption of the
12 formula. The board shall select and contract with an independent certified public
13 accountant for the purpose of having the data used in the development and
14 implementation of this formula audited. The board shall pay the cost of this audit and
15 shall annually report, not later than March fifteenth, on the year's formula to the
16 House Committee on Education and the Senate Committee on Education.

17 (2) To require that every postsecondary education board submit to it, at a
18 time it specifies, an annual budget proposal for the operational and capital needs of
19 each institution under the control of each board. The Board of Trustees shall submit
20 its budget recommendations for all institutions of postsecondary education in the
21 state. It shall recommend priorities for capital construction and improvements.

22 (3) Meet at least quarterly to discuss the extent to which each public
23 postsecondary education management board is fulfilling its system's mission and
24 collaborating with the other management boards to achieve accountability,
25 efficiency, and effectiveness in public postsecondary education.

26 §1894. Transition

27 A. The governor of Louisiana, the House of Representatives of the
28 Legislature of Louisiana, and the Senate of Louisiana shall select their initial
29 appointees to the Board of Trustees not later than January 1, 2018. The chairman of

1 the board shall convene the board for its first meeting not later than January 15,
2 2018.

3 B. Prior to July 1, 2019, upon which date the Board of Regents shall be
4 abolished, the Board of Regents and the Board of Trustees shall take such actions as
5 are necessary to provide for the implementation of the Board of Trustees on that
6 date, and the Board of Trustees shall develop a transition plan that, as a minimum,
7 shall provide for the following:

8 (1) Recommendations relative to which staff positions and functions of the
9 Board of Regents should be retained, eliminated, or transferred to the public
10 postsecondary education management boards or some other entity.

11 (2) The development of a budget proposal for the Board of Trustees.

12 (3) An evaluation of the strengths and weakness of the outcomes-based
13 funding formula and recommendations for improving the formula to ensure the
14 equitable allocation of state funds.

15 (4) Recommendations for legislation, if any, needed to effectuate a
16 successful transition.

17 C. Not later than thirty days prior to the beginning of the 2018 Regular
18 Session of the Legislature and quarterly thereafter, the Board of Trustees shall
19 submit to each member of the legislature and the governor a report containing
20 findings and recommendations relative to the requirements of the transition plan
21 provided in Subsection B of this Section.

22 * * *

23 Section 2. This Act shall take effect and become operative in the manner provided
24 in this Section if the proposed amendment of the Constitution of Louisiana contained in the
25 Act which originated as House Bill No. 342 of this 2017 Regular Session of the Legislature
26 is adopted at a statewide election.

27 (A) The provisions of R.S. 17:1891 through 1893 as enacted in this Act shall take
28 effect and become operative when the proposed amendment of Articles IV, VII, and VIII of
29 the Constitution of Louisiana as contained in such Act becomes effective.

- 1 (B) The provisions of R.S. 17:1894 as enacted in this Act shall take effect and
2 become operative when the proposed amendment of Article XIV of the Constitution of
3 Louisiana as contained in such Act becomes effective.

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 528 Engrossed

2017 Regular Session

Broadwater

Abstract: Creates and provides for the Louisiana Postsecondary Education Board of Trustees as the successor of the Board of Regents.

Creation and Membership

Proposed law creates and provides for the Louisiana Postsecondary Education Board of Trustees, which shall have seven members – the president of each public postsecondary education system, one member appointed by the governor, subject to Senate confirmation, one member appointed by the La. House of Representatives, and one member appointed by the La. Senate. Provides that the member appointed by the governor shall serve as chairman.

Powers

Proposed law grants to the Board of Trustees certain powers that present constitution and present law grant to the Board of Regents, including the following:

- (1) To formulate and make timely revision of a master plan for postsecondary education, which shall, at minimum, shall include a formula for equitable distribution of funds to the institutions of postsecondary education.
- (2) To require that the management boards submit to it an annual budget proposal for operational and capital needs and capital needs of each institution under its control; to submit its budget recommendations for all institutions; and to recommend priorities for capital construction and improvements.

Proposed law further provides relative to the powers of the Board of Trustees as follows:

- (1) Provides that approval of the funding formula shall require a vote of five members of the board and requires the board to select and contract with an independent CPA to provide an audit of the data used in the formula's development and implementation. Requires the board to pay for the audit and annually report, not later than March 15th, on the formula to the House and Senate education committees.
- (2) Grants the board the power to ensure that each public postsecondary education management board is fulfilling its system's mission and collaborating with the other management boards to achieve accountability, efficiency, and effectiveness in public postsecondary education.

Transitional Provisions

Proposed law requires the governor, the House of Representatives, and the Senate to make initial appointments not later than Jan. 1, 2018, and the chairman to convene the Board of Trustees for its first meeting not later than Jan. 15, 2018. Requires the Board of Trustees and

the Board of Regents, prior to July 1, 2019, to take such actions as are necessary to provide for the implementation of the Board of Trustees on that date. Requires the Board of Trustees to develop a transition plan that shall, as a minimum, provide for the following:

- (1) Recommendations relative to which staff positions and functions of the Board of Regents should be retained, eliminated, or transferred to the management boards or some other entity.
- (2) The development of a budget proposal for the Board of Trustees.
- (3) An evaluation of the strengths and weakness of the outcomes-based funding formula and recommendations for improving the formula to ensure the equitable allocation of state funds.
- (4) Recommendations for legislation, if any, needed to effectuate a successful transition.

Proposed law also requires the Board of Trustees, not later than 30 days prior to the beginning of the 2018 R.S. and quarterly thereafter, to submit to each member of the legislature and the governor a report containing findings and recommendations relative to the requirements of the transition plan provided in proposed law.

Effective if and when the proposed amendment of the Constitution of La. contained in the Act which originated as House Bill No. 342 of this 2017 R.S. is adopted at a statewide election and becomes effective (July 1, 2019), except that if such amendment is adopted, the transitional provisions shall become effective Dec. 1, 2017.

(Adds R.S. 17:1891-1894)