

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 45** SLS 202ES 106

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

|  |                               |
|--|-------------------------------|
| <b>Date:</b> October 6, 2020 2:27 PM     | <b>Author:</b> FIELDS         |
| <b>Dept./Agy.:</b> Higher Education      | <b>Analyst:</b> Jodi Mauroner |
| <b>Subject:</b> Management Board Members |                               |

COLLEGES/UNIVERSITIES OR INCREASE SG EX See Note Page 1 of 1

Provides that certain at-large members of postsecondary management boards may be appointed by the governor from graduates who reside out-of-state. (See Act) (Item #42)

Board of Supervisors for the four post secondary systems are comprised of two members from each of the state's congressional district and three at-large members appointed by the governor. Proposed legislation authorizes that of the at-large members, at least one shall be a resident of the state, and upon written recommendation of the board, the remaining at-large member(s) may reside out-of-state if the appointee graduated from an institution under the management of the board. Proposed legislation would become effective if and when a proposed constitutional amendment (SB 44) is approved by the voters in December 2020.

| <b>EXPENDITURES</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>2023-24</b> | <b>2024-25</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | INCREASE       | INCREASE       | INCREASE       | INCREASE       | INCREASE       |                      |
| Agy. Self-Gen.      | INCREASE       | INCREASE       | INCREASE       | INCREASE       | INCREASE       |                      |
| Ded./Other          | INCREASE       | INCREASE       | INCREASE       | INCREASE       | INCREASE       |                      |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| <b>Annual Total</b> |                |                |                |                |                |                      |

  

| <b>REVENUES</b>     | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>2023-24</b> | <b>2024-25</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Agy. Self-Gen.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| <b>Annual Total</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>           |

**EXPENDITURE EXPLANATION**

There will be an increase in expenditures of the management boards to the extent out-of-state residents are appointed to the boards. The amount of the increase is indeterminable and will depend upon the number of appointments, their state of residence, the number of annual meetings, the location of the meetings, and the number of days they are required to travel. Management Boards are funded with state general fund, IAT from member institutions, and self-generated revenues. Management boards have indicated they will be able to absorb these costs within their annual operating budgets.

State Travel Regulations (PPM 49) establish reimbursement rates and criteria for in-state and out-of-state travel. For the Baton Rouge area, lodging is capped at \$100, and a full day's meals at \$53. Car rental is approximately \$30 per day; airline fare will be determined by the city of origin and the timing of the reservation and cannot be estimated at this time.

There are four post secondary management boards with a total of 8 at-large members who may be out-of state residents per the proposed legislation. In 2020, collectively, the boards held a total of 35 meetings. Assuming one out-of-state member for each board attends 35 meetings in Baton Rouge with one overnight stay (\$3,500); one full day of meals (\$1,855); and one day car rental (\$1,050), the expenditure increase equates to \$6,405. This will increase significantly with the addition of air fare.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*  
**Alan M. Boxberger**  
**Staff Director**