SLS 14RS-709 ENGROSSED

Regular Session, 2014

SENATE BILL NO. 358

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BY SENATOR DONAHUE

COLLEGES/UNIVERSITIES. Provides relative to the Louisiana Granting Resources and Autonomy for Diplomas Act to provide that certain high level autonomies relative to procurement apply to certain institutions under a shared service model. (8/1/14)

AN ACT

2 To amend and reenact R.S. 17:3139.5(5)(c)(i), relative to the Louisiana Granting Resources and Autonomy for Diplomas Act; to provide relative to certain public postsecondary 3 education institutions' authority to participate in a pilot procurement code; to provide 4 5 for participation by all institutions under the same postsecondary education management board; to provide for the approval of the division of administration and 6 7 the Joint Legislative Committee on the Budget; and to provide for related matters. 8 Be it enacted by the Legislature of Louisiana: 9 Section 1. R.S. 17:3139.5(5)(c)(i) is hereby amended and reenacted to read as follows: 10 11 §3139.5. Autonomies granted Notwithstanding any other provision of law to the contrary, each institution 12 13 that enters into a performance agreement shall be granted the authorities and 14 autonomies as provided in this Section. However, nothing herein shall suspend the requirements of R.S. 39:1593.1. 15 16 17 (5) Operational autonomies.

Page 1 of 3

SLS 14RS-709 ENGROSSED
SB NO. 358

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2 (c) High level.

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(i) Authority to participate in a pilot procurement code as established by the initial qualifying institution in each postsecondary educational system to be in place for an initial period of three years and approved by the division of administration. The initial qualifying institution shall in each postsecondary educational system may establish any a pilot procurement code pursuant to rules and regulations adopted in accordance with the Administrative Procedure Act. An institution granted this autonomy may use this pilot procurement code in lieu of the Louisiana Procurement Code as provided in R.S. 39:15.3, 196 through 200, 1481 through 1526, and 1551 through 1755, subject to the prior review and approval of the Joint Legislative Committee on the Budget. Any extension beyond the initial period of three years shall be submitted to the Joint Legislative Committee on the Budget for review and approval for a period not to exceed three years. Any changes to the pilot procurement plan after the approval for any three-year period shall be submitted to the Joint Legislative Committee on the Budget for approval. With the approval of the division of administration and the Joint Legislative Committee on the Budget, a pilot procurement code may provide that other institutions under the same postsecondary education management board as the initial qualifying institution may utilize the pilot procurement code, provided the procurement is conducted under the auspices of a shared services model managed by the qualifying institution.

The original instrument was prepared by Martha Hess. The following digest, which does not constitute a part of the legislative instrument, was prepared by Jeanne Johnston.

DIGEST

Donahue (SB 358)

<u>Present law</u> (La. Granting Resources and Autonomy for Diplomas Act - "GRAD Act") authorizes public postsecondary education institutions to enter into performance agreements

with the Board of Regents in order to be granted certain tuition authority and limited operational autonomy and flexibility in exchange for committing to meet established targets for performance objectives as applicable to the institution.

<u>Present law</u> provides for autonomies for base, intermediate, and high levels. <u>Present law</u> includes as a high-level autonomy the authority to participate in a pilot procurement code as established by the initial qualifying institution to be in place for an initial period of three years and approved by the division of administration (DOA). The initial qualifying institution shall establish any pilot procurement code pursuant to rules and regulations adopted in accordance with the Administrative Procedure Act. An institution granted this autonomy may use this pilot procurement code in lieu of the Louisiana Procurement Code, subject to the prior review and approval of the Joint Legislative Committee on the Budget (JLCB).

<u>Proposed law</u> retains <u>present law</u> but provides that the initial qualifying institution in each postsecondary educational system may participate in a pilot procurement code. Further provides that any extension beyond the initial period of three years shall be submitted to the JLCB for review and approval for a period not to exceed three years. Any changes to the pilot procurement plan after the approval for any three-year period shall be submitted to the JLCB for approval. Additionally provides that with the approval of the DOA and the JLCB, the pilot procurement code may provide that other institutions under the same managing board as the initial qualifying institution may utilize the pilot procurement code, provided the procurement is conducted under the auspices of a shared services model managed by the qualifying institution.

Effective August 1, 2014.

(Amends R.S. 17:3139.5(5)(c)(i))

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Education to the original bill</u>

- 1. Makes technical corrections.
- 2. Provides that the initial qualifying institution in each postsecondary educational system may participate in a pilot procurement code in lieu of utilizing the La. Procurement Code.
- 3. Provides that extensions beyond the initial three-year pilot period, and any changes to the pilot procurement code, shall be submitted to JLCB for review and approval.