

SENATE BILL NO. 266 (Substitute of Senate Bill No. 183 by Senator Appel)

BY SENATORS APPEL AND MURRAY AND REPRESENTATIVES ARNOLD,
BOBBY BADON, BILLIOT, BROSSETT, HENRY BURNS, TIM
BURNS, CARTER, HARDY, HINES, HOWARD, LIGI, LORUSSO,
POPE, RICHARDSON, SEABAUGH, SMILEY, JANE SMITH,
TEMPLET, TUCKER AND WILLMOTT

1 AN ACT

2 To amend and reenact R.S. 17:3217, to enact R.S. 17:3230 and Part III-A of Chapter 26 of
3 Title 17 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 17:3241,
4 and to repeal R.S. 17:3215(2), relative to postsecondary education; to provide for the
5 transfer of the University of New Orleans to the University of Louisiana System; to
6 provide relative to the transfer of the facilities, resources, funds, obligations, and
7 functions of the institution and related foundations; to provide for the transition
8 responsibilities of the impacted institution and management boards and the division
9 of administration; to provide for cooperative agreements; to provide relative to
10 accreditation issues; to provide relative to funding; to provide relative to employees;
11 to provide for effectiveness; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 17:3217 is hereby amended and reenacted and R.S. 17:3230 and Part
14 III-A of Chapter 26 of Title 17 of the Louisiana Revised Statutes of 1950, to be comprised
15 of R.S. 17:3241, are hereby enacted to read as follows:

16 §3217. University of Louisiana ~~system~~ **System**

17 The University of Louisiana ~~system~~ **System** is composed of the institutions
18 under the supervision and management of the ~~Board of Trustees for State Colleges~~
19 ~~and Universities~~ **Board of Supervisors for the University of Louisiana System** as
20 follows:

- 1 (1) Grambling State University at Grambling.
- 2 (2) Louisiana Tech University at Ruston.
- 3 (3) McNeese State University at Lake Charles.
- 4 (4) Nicholls State University at Thibodaux.
- 5 ~~(5) Northeast Louisiana University of Louisiana at Monroe.~~
- 6 ~~(6)(5) Northwestern State University of Louisiana at Natchitoches.~~
- 7 ~~(7)(6) Southeastern Louisiana University at Hammond.~~
- 8 ~~(8) University of Southwestern Louisiana at Lafayette.~~
- 9 **(7) The University of Louisiana at Lafayette.**
- 10 **(8) The University of Louisiana at Monroe.**
- 11 **(9) The University of New Orleans.**
- 12 **(10) Any other college, university, school, institution or program now or**
- 13 **hereafter under the supervision and management of the Board of Trustees for State**
- 14 **Colleges and Universities Board of Supervisors for the University of Louisiana**
- 15 **System.**

* * *

§3230. The University of New Orleans; transfer to the University of Louisiana System

A. (1) Not later than August 1, 2011, the chancellor of the University of New Orleans shall submit a letter to the president of the Southern Association for Colleges and Schools, Commission on Colleges, stating his intent for a change in governance for the institution from the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College to the Board of Supervisors for the University of Louisiana System.

(2) The chancellor, faculty, and administration of the University of New Orleans shall take every action necessary to efficiently and expeditiously comply with all established timelines, requirements, and procedures to ensure that the requested change of governance may be effected immediately upon receipt of commission approval.

B.(1) Pursuant to the authority granted to the legislature by Article

1 VIII, Section 5(D)(3) of the Constitution of Louisiana to transfer an institution
2 from one board to another by law enacted by two-thirds of the elected members
3 of each house, the University of New Orleans, and the assets, funds, obligations,
4 liabilities, programs, and functions related thereto, are hereby transferred to
5 the University of Louisiana System, and shall be under the management and
6 supervision of the Board of Supervisors for the University of Louisiana System.

7 (2) The provisions of this Subsection shall become effective immediately
8 upon receipt of approval from the Southern Association for Colleges and
9 Schools, Commission on Colleges, for the requested change in governance.

10 C. The Board of Supervisors for the University of Louisiana System
11 shall develop policies and procedures to resolve issues related to the status and
12 tenure of employees of the University of New Orleans which may arise from the
13 transfer of the institution to the University of Louisiana System.

14 D. The Board of Supervisors of Louisiana State University and
15 Agricultural and Mechanical College shall:

16 (1) Continue to exercise its authority to supervise and manage the
17 University of New Orleans until such time as the Southern Association for
18 Colleges and Schools, Commission on Colleges, grants approval for the
19 requested change in governance and transfer of the University of New Orleans
20 to the University of Louisiana System.

21 (2)(a) Work cooperatively and collaboratively with the Board of
22 Supervisors for the University of Louisiana System to ensure that the requested
23 transfer may be effected immediately upon receipt of commission approval for
24 the change in governance.

25 (b) Prior to receipt of such approval, enter into agreements to transfer
26 as many administrative and supervisory functions as possible with respect to the
27 University of New Orleans to the University of Louisiana System, without
28 adversely impacting the accreditation status of the institution.

29 (3) Upon receipt of such approval, immediately transfer all assets, funds,
30 facilities, property, obligations, liabilities, programs, and functions relative to

1 the University of New Orleans to the University of Louisiana System.

2 E. The Board of Supervisors of Louisiana State University and
3 Agricultural and Mechanical College shall not:

4 (1) Interfere with, or impede in any way, the processes to transfer the
5 University of New Orleans to the University of Louisiana System.

6 (2) Sell, transfer, or otherwise remove any asset or thing of value,
7 movable or immovable, tangible or intangible, attributable to or owned by the
8 University of New Orleans, or owned, leased by, or operated by any foundation
9 related to such institution. In addition, access to any asset leased to any
10 foundation related to the University of New Orleans shall not be restricted or
11 denied.

12 (3) Incur, transfer or assign any debt or other responsibility or
13 obligation to the University of New Orleans that is not properly attributable to
14 the institution.

15 (4)(a) Disproportionately reduce or reallocate the level of funding that
16 would otherwise be allocated to the University of New Orleans pursuant to the
17 postsecondary education funding formula.

18 (b) Until such time as the University of New Orleans is transferred to the
19 University of Louisiana System, impose any budget reductions or changes in
20 funding allocations upon the institution without prior review and approval from
21 the Joint Legislative Committee on the Budget.

22 (5) Take any personnel action with regard to any instructional or
23 administrative employee of the University of New Orleans without the prior
24 approval of the Board of Supervisors for the University of Louisiana System.

25 F. The commissioner of administration shall ensure that sufficient funds
26 and resources are available to fully effect the transfer of the University of New
27 Orleans to the University of Louisiana System. Such funding and resources
28 shall not impact the Board of Regents' formula for the equitable distribution of
29 funds to institutions of postsecondary education.

30 G.(1) The University of New Orleans, pursuant to their agreement with

1 the University of New Orleans Foundation, shall reimburse the state for the
 2 purchase of available insurance for indemnification and costs which may arise
 3 from the transfer; provided however, that the state of Louisiana shall indemnify
 4 and hold harmless the Board of Supervisors of Louisiana State University and
 5 Agricultural and Mechanical College and the Board of Supervisors for the
 6 University of Louisiana System for any liability and costs which may result
 7 from the transfer of existing contracts, financing, or immovable property.

8 (2) Effective beginning with the 2011-2012 Fiscal Year, any and all funds
 9 previously paid by the University of New Orleans to the Board of Supervisors
 10 of Louisiana State University and Agricultural and Mechanical College shall be
 11 paid instead to the Board of Supervisors for the University of Louisiana System;
 12 however, the total amount of such payments shall not be less than that paid
 13 during the 2010-2011 Fiscal Year.

14 H. The legislature shall appropriate sufficient funds to the Board of
 15 Supervisors of Louisiana State University and Agricultural and Mechanical
 16 College and the Board of Supervisors for the University of Louisiana System to
 17 fully effect the transfer of the University of New Orleans to the University of
 18 Louisiana System.

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20 PART III-A. POSTSECONDARY EDUCATION DELIVERY SYSTEM FOR
 21 THE NEW ORLEANS REGION

22 §3241. Legislative intent; goals

23 A. It is the intent of the legislature that a comprehensive, integrated
 24 regional delivery system be provided for the delivery of public postsecondary
 25 education services in the New Orleans region which system will:

26 (1) Provide a world class educational environment that will meet the
 27 academic needs and interests of every student, while providing each student
 28 with the support, assistance, and guidance necessary to attain his or her
 29 educational goals and aspirations.

30 (2) Ensure that students who are academically unprepared are provided

1 the educational resources they need to have a reasonable chance for success in
 2 their academic pursuits.

3 (3) Raise the educational attainment of the population, improve the
 4 quality of life, and contribute to the economic well being of the New Orleans
 5 region.

6 (4) Make optimal use of facilities, faculties, and other academic and
 7 fiscal resources associated with the public postsecondary institutions in the
 8 region.

9 B. The legislature finds that these goals will best be accomplished
 10 through the following actions:

11 (1) The Board of Regents shall adopt by not later than February 1, 2012,
 12 a written plan of action including timelines, deadlines, requirements, and
 13 procedures for achieving the goals specified in Subsection A of this Section as
 14 such goals relate to the powers, duties, functions, and responsibilities of the
 15 board provided by Article VIII, Section 5, of the Constitution of Louisiana and
 16 other applicable law. The board shall submit copies of the adopted action plan
 17 to the House Committee on Education and the Senate Committee on Education.

18 (2) The Board of Supervisors of Southern University and Agricultural
 19 and Mechanical College, the Board of Supervisors for the University of
 20 Louisiana System, and the Board of Supervisors of Community and Technical
 21 Colleges each shall adopt by not later than February 1, 2012, a written plan of
 22 action including timelines, deadlines, requirements, and procedures for
 23 achieving the goals specified in Subsection A of this Section as they relate to the
 24 powers, duties, functions, and responsibilities of the boards provided by Article
 25 VIII, Section 5(E), of the Constitution of Louisiana and other applicable law.
 26 Each board also shall submit copies of its adopted action plan to the House
 27 Committee on Education and the Senate Committee on Education.

28 Section 2. R.S. 17:3215(2) is hereby repealed.

29 Section 3.(A) This Act is not intended to nor shall it be construed to impair the
 30 contractual or other obligations of any agency, office, board, commission, department, or

1 political subdivision, or of the state as a result of the transfers of obligations in accordance
2 with this Act. Upon the effective date of the transfer of the University of New Orleans, all
3 such obligations of the Board of Supervisors of Louisiana State University and Agricultural
4 and Mechanical College related to the University of New Orleans shall be deemed to be
5 obligations of the Board of Supervisors for the University of Louisiana System to the same
6 extent as if originally incurred by it.

7 (B) All funds and revenues previously dedicated by authority of the constitution and
8 laws of this state to the payment of any bonds related to the University of New Orleans shall
9 continue to be collected and dedicated to such payments unless and until other provision is
10 made for such payments in accordance with law. Upon the effective date of the transfer of
11 the University of New Orleans, all acts relating to such bonds by the Board of Supervisors
12 of Louisiana State University and Agricultural and Mechanical College shall be deemed to
13 be the acts of the Board of Supervisors for the University of Louisiana System in the same
14 manner and to the same extent as if originally so done.

15 (C) No provision of this Act shall preclude a Memorandum of Understanding (MOU)
16 under which a bonded indebtedness obligation of the Board of Supervisors of Louisiana
17 State University and Agricultural and Mechanical College existing on the effective date of
18 this Act would remain in force after an agreement that the Board of Supervisors for the
19 University of Louisiana System would be responsible for all payments, costs, and other
20 covenants contained in said bonded indebtedness. If the maintenance of bonded indebtedness
21 by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical
22 College for properties or assets to be transferred to the Board of Supervisors for the
23 University of Louisiana System is advantageous to the state of Louisiana, then the Board of
24 Supervisors of Louisiana State University and Agricultural and Mechanical College shall
25 make every effort to maintain such bonded indebtedness under a Memorandum of
26 Understanding as described herein.

27 (D) The provisions of this Section shall have the full force and effect of law.

28 Section 4. This Act shall become effective upon signature by the governor or, if not
29 signed by the governor, upon expiration of the time for bills to become law without signature
30 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____