

2020 Regular Session

HOUSE BILL NO. 829

BY REPRESENTATIVE ZERINGUE

COLLEGES/UNIVERSITIES: Extends authority of public postsecondary education institutions to exercise certain operational autonomies

1 AN ACT

2 To amend and reenact R.S. 17:3139.5(B)(1)(a), relative to colleges and universities; to
3 provide relative to the exceptions and exemptions that a public postsecondary
4 education institution may receive from state regulations of their operations under
5 certain conditions; to extend an institution's authority to exercise certain operational
6 autonomies under such conditions; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 17:3139.5(B)(1)(a) is hereby amended and reenacted to read as
9 follows:

10 §3139.5. Tuition autonomy; operational autonomy contingent on audit findings

11 * * *

12 B.(1)(a) Notwithstanding any provision of law to the contrary, any institution
13 that meets the requirements of this Paragraph may exercise ~~until July 1, 2020,~~ the
14 autonomies provided by this Subsection subject to the limitations provided in this
15 Paragraph.

16 * * *

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 829 Original

2020 Regular Session

Zeringue

Abstract: Extends the authority of public postsecondary education institutions to exercise certain operational autonomies.

Present law authorizes public postsecondary education institutions that meet certain conditions to be granted various exemptions and exceptions from state regulations of their operations (operational autonomies). Provides that a public postsecondary education institution may exercise certain operational autonomies until July 1, 2020, if the institution's management board approves the exercise of autonomies by any institution in the system and one of the following conditions is met:

- (1) The institution is in a system that received, for its most recent audit, a financial audit with an unmodified opinion, where the financial statements were free of material misstatements and material weaknesses, and the financial position, results of operations, and cash flows were represented fairly in accordance with Generally Accepted Accounting Principles.
- (2) The institution is in a system that did not meet (1) above, but the institution was not responsible for the finding of noncompliance at the system level.

Present law specifies that such operational autonomies are as follows:

- (1) Authority to retain funds unexpended and unobligated at the end of the fiscal year for use at the institution's discretion.
- (2) Authority to identify and dispose of obsolete equipment.
- (3) Authority to be excluded by the division of administration from any table of organization.
- (4) Authority to participate in the higher education procurement code as established by Louisiana State University and approved by the division of administration.
- (5) Exemption from participation in the state's risk management program pursuant to certain conditions.
- (6) The authority to administer facilities projects funded with self-generated revenue, federal funds, donations, grants, or revenue bonds.
- (7) Authority to invest certain funds in certain bonds.

Proposed law indefinitely extends an institution's authority to exercise such operational autonomies under such conditions by removing the July 1, 2020, "sunset" date and otherwise retains present law.

(Amends R.S. 17:3139.5(B)(1)(a))