



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 202** SLS 25RS 184
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: May 7, 2025	5:59 PM	Author: HARRIS, JIMMY
Dept./Agy.: Higher Education		
Subject: University of New Orleans		Analyst: Tanesha Morgan

POSTSECONDARY ED OR INCREASE GF EX See Note Page 1 of 1
Transfers the University of New Orleans to the Louisiana State University System. (2/3 - CA8s5(D)(3)(b)) (gov sig)

Proposed law provides for moving the University of New Orleans (UNO) from the University of Louisiana System to the Louisiana State University System. Proposed law protects UNO's assets, funding, and employee jobs during the change. Proposed law stops the UL System from blocking the transfer, taking away assets, adding debt, cutting funding, or changing staff without LSU’s approval. Proposed law requires the state to pay for the transfer costs and protect both boards from legal problems. Proposed law allows agreements about existing debts and would start upon the signature by the governor.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation will result in an indeterminable cost increase that will exceed \$100,000 of SGF expenditures in FY 26 and FY 27. The bill requires that the State of Louisiana shall indemnify and hold harmless the UL Board of Supervisors and the LSU Board of Supervisors from any liability and costs which may result from the transfer of existing contracts, financing, or immovable property. The proposed legislation also requires the legislature to appropriate sufficient funds to the UL and LSU Systems to fully effect the transfer of the University of New Orleans to the Louisiana State University System. The bill provides for the commissioner of administration to ensure sufficient funds and resources are available to fully effect the transfer of UNO.

The proposed legislation will result in an indeterminable increase in one-time expenditures due to anticipated transition costs associated with moving UNO from the UL Board of Supervisors to the LSU Board of Supervisors that will likely occur over multiple fiscal years. The specific potential major transition costs include: expenses related to accreditation and academic affairs, title transfer on UNO property from the UL Board to the LSU Board, and consultant expenses related to cooperative endeavor agreements, affiliated foundations, grants, donations, property title work, and miscellaneous legal provisions.

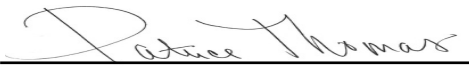
Historically, any governance change of an institution is considered a major change by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) and would require application and committee visits by the commission. UNO would be assessed fees for the review plus travel, lodging, food, and a percentage of the total cost of the committee.

In addition, there is the potential need for an academic affairs consultant to assist with accreditation costs and other yet-to-be-identified academic issues that could include analysis of tenure policies and potential changes in the academic calendar.

The LFO has requested additional information from both the LSU and UL Systems. This fiscal note will be updated once the additional information is received.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. This fiscal note assumes that the current tuition rates charged at UNO will remain unchanged as a result of the transfer from the UL Board of Governance to the LSU Board of Governance.

Senate	Dual Referral Rules	House	
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	
			 Patrice Thomas Deputy Fiscal Officer