

2025 Regular Session

SENATE BILL NO. 202

BY SENATORS HARRIS, CARTER, EDMONDS AND JACKSON-ANDREWS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

POSTSECONDARY ED. Transfers the University of New Orleans to the Louisiana State University System. (2/3 - CA8s5(D)(3)(b)) (gov sig)

AN ACT

To amend and reenact R.S. 17:3215(9) and 3241(B)(2), to enact R.S. 17:3215(10) and 3230.1, and to repeal R.S. 17:3217(A)(9) and 3230, relative to postsecondary education; to provide for the transfer of the University of New Orleans to the Louisiana State University System; to provide relative to the transfer of the facilities, resources, funds, obligations, and functions of the institution; to provide for the transition responsibilities of the impacted institution and management boards and the division of administration; to provide for cooperative agreements; to provide relative to accreditation issues; to provide relative to funding; to provide relative to employees; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:3215(9) and 3241(B)(2) are hereby amended and reenacted and R.S. 17:3215(10) and 3230.1 are hereby enacted to read as follows:

§3215. Louisiana State University system

The Louisiana State University system is composed of the institutions under the supervision and management of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College as follows:

* * *

(9) The University of New Orleans.

~~(9)~~ **(10)** Any other college, university, school, institution or program now or hereafter under the supervision and management of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College.

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§3230.1. The University of New Orleans; transfer to the Louisiana State University System

A. (1) Not later than August 1, 2025, the president 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 her intent for a change in governance for the institution from the Board of Supervisors for the University of Louisiana System to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College.

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

(2) The provisions of this Subsection shall become effective immediately upon receipt of approval from the Southern Association for Colleges and

Schools, Commission on Colleges, for the requested change in governance.

C. The Board of Supervisors of Louisiana State University and Agricultural and Mechanical College shall develop policies and procedures to resolve issues related to the status and tenure of employees of the University of New Orleans which may arise from the transfer of the institution to the Louisiana State University System, and shall take necessary actions to support the transition, including but not limited to:

(1) The formation of a transition team comprised of stakeholders from the Greater New Orleans region and members of the House and Senate committees on education.

(2) Development of a comprehensive transition plan informed by external assessments of finances, academic programs, and facilities as appropriate, to improve the academic, operational and fiscal performance of the University of New Orleans, and present the plan to the Board of Regents and the House and Senate committees on education no later than April 1, 2026.

D. The Board of Supervisors for the University of Louisiana System shall:

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

(2)(a) Work cooperatively and collaboratively with the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College to ensure that the requested transfer may be effected immediately upon receipt of commission approval for the change in governance.

(b) Prior to receipt of such approval, enter into agreements to transfer as many administrative and supervisory functions as possible with respect to the University of New Orleans to the Louisiana State University System, without

adversely impacting the accreditation status of the institution.

(3) Prior to receipt of such approval, continue to balance the University of New Orleans' budget in close collaboration with the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, with a view to strengthening the fiscal health of the University of New Orleans.

(4) Upon receipt of such approval, immediately transfer all assets, funds, facilities, property, obligations, liabilities, programs, and functions relative to the University of New Orleans to the Louisiana State University System.

E. The Board of Supervisors for the University of Louisiana System shall not:

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

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

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

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

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

F. The commissioner of administration shall:

(1) Ensure that sufficient funds and resources are available to fully effect the transfer of the University of New Orleans to the Louisiana State University System. Such funding and resources shall not impact the Board of Regents' formula for the equitable distribution of funds to institutions of postsecondary education.

(2) Purchase available insurance for indemnification and costs which may arise from the transfer; provided however, that the commissioner of administration shall indemnify and hold harmless the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and the Board of Supervisors for the University of Louisiana System for any liability and costs which may result from the transfer of existing contracts, financing, or immovable property.

G. Upon the date of transfer, any and all funds previously paid by the University of New Orleans to the Board of Supervisors for the University of Louisiana System shall be paid instead to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College; however, the total amount of such payments shall not be less than that paid during the 2024-2025 Fiscal Year.

H. The legislature shall appropriate sufficient funds to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and the Board of Supervisors for the University of Louisiana System to fully effect the transfer of the University of New Orleans to the Louisiana State University System. The legislature may place reasonable conditions on the granting of transition funding, such as the receipt of a comprehensive transition plan or demonstration of benchmarks reached.

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§3241. Legislative intent; goals

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B. The legislature finds that these goals will best be accomplished through

the following actions:

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(2) ~~The Board of Supervisors of Southern University and Agricultural and Mechanical College, the Board of Supervisors for the University of Louisiana System, and the Board of Supervisors of Community and Technical Colleges each shall adopt by not later than February 1, 2012, a written plan of action including timelines, deadlines, requirements, and procedures for achieving the goals specified in Subsection A of this Section as they relate to the powers, duties, functions, and responsibilities of the boards provided by Article VIII, Section 5(E), of the Constitution of Louisiana and other applicable law. Each board also shall submit copies of its adopted action plan to the House Committee on Education and the Senate Committee on Education.~~ **The Board of Supervisors of Louisiana State University and Agricultural and Mechanical College's plan pursuant to Subsection (C)(2) of this Section shall set a bold vision for the success of the University of New Orleans and robust implementation of the plan to ensure world-class educational offerings for the Greater New Orleans region. The plan shall address, at a minimum, strong alignment to the workforce needs of the region and the state, a focus on both excellence and efficiency in the integrated delivery of higher education in the region, and comprehensive stakeholder engagement to ensure community support.**

Section 2. R.S. 17:3217(A)(9) and 3230 are hereby repealed.

Section 3. (A) This Act is not intended to nor shall it be construed to impair the contractual or other obligations of any agency, office, board, commission, department, or political subdivision, or of the state as a result of the transfers of obligations in accordance with this Act. Upon the effective date of the transfer of the University of New Orleans, all such obligations of the Board of Supervisors for the University of Louisiana System related to the University of New Orleans shall be deemed to be obligations of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College to the same extent as if originally incurred by it.

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

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

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

21 Section 4. This Act shall become effective upon signature by the governor or, if not
22 signed by the governor, upon expiration of the time for bills to become law without signature
23 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
24 vetoed by the governor and subsequently approved by the legislature, this Act shall become
25 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

DIGEST

SB 202 Engrossed

2025 Regular Session

Harris

Present law (R.S. 17:3215) provides a list of institutions included under the Louisiana State University System.

Proposed law retains present law and further adds the University of New Orleans to the list of institutions within the LSU System.

Present law (R.S. 17: 3217) provides a list of institutions included under the University of Louisiana System.

Proposed law removes the University of New Orleans from the list of institutions under the supervision and management of the Bd. of Supervisors of the UL System.

Proposed law (R.S. 17:3230.1) provides for the transfer of the UNO from the UL System to the LSU System as follows:

- (1) Requires the president of UNO to submit a letter to the president of the Southern Association for Colleges and Schools, Commission on Colleges (SACS), not later than August 1, 2025, stating her intent for a change in governance from the Bd. of Supervisors of the UL System to the Bd. of Supervisors for the LSU System.
- (2) Requires the president, faculty, and administration of UNO to take every action necessary to efficiently and expeditiously comply with all SACS timelines, requirements, and procedures to ensure that the requested change of governance may be effected immediately upon receipt of commission approval.
- (3) Transfers UNO to the LSU System, pursuant to the authority granted to the legislature by the La. constitution to transfer an institution from one board to another by law enacted by two-thirds of the elected members of each house. Also transfers the assets, funds, obligations, liabilities, programs, and functions related to the institution. Provides that such transfer will become effective immediately upon receipt of SACS approval for the change in governance.
- (4) Requires the Bd. of Supervisors for the LSU System to develop policies and procedures to resolve issues related to the status and tenure of UNO employees which may arise from the transfer. Requires the board to take necessary actions to support the transition, including but not limited to forming a transition team and developing a comprehensive transition plan. Requires the board to present the comprehensive transition plan to the board of Regents and the House and Senate committees on education by April 1, 2026.

Provides that the UL Bd. of Supervisors shall:

- (1) Continue to exercise its authority to supervise and manage UNO until such time as SACS grants approval for the requested change in governance and transfer of the institution to the LSU System.
- (2) Work cooperatively and collaboratively with the LSU System board to ensure that the transfer may be effected immediately upon receipt of SACS approval.

- (3) Enter into agreements to transfer as many UNO administrative and supervisory functions as possible to the LSU System, prior to receipt of SACS approval, without adversely impacting the accreditation status of the institution.
- (4) Continue to balance UNO's budget prior to receipt of transition approval.
- (5) Immediately transfer all assets, funds, facilities, property, obligations, liabilities, programs, and functions relative to UNO to the LSU System, upon receipt of SACS approval for the transfer.

Provides that the UL Bd. of Supervisors shall not:

- (1) Interfere with or impede in any way the processes to transfer UNO to the LSU System.
- (2) Sell, transfer, or otherwise remove any asset or thing of value, movable or immovable, tangible or intangible, attributable to or owned by UNO, or owned, leased by, or operated by any foundation related to UNO on the effective date of proposed law. Further provides that access to any asset leased to any foundation related to UNO shall not be restricted or denied.
- (3) Incur, transfer or assign any debt or other responsibility or obligation to UNO that is not properly attributable to either institution on the effective date of proposed law.
- (4) Disproportionately reduce or reallocate the level of funding that would otherwise be allocated to UNO pursuant to the postsecondary education funding formula. Provides that until UNO is transferred to the LSU System, no budget reductions or changes in funding allocations for the institution shall be imposed without prior review of the Board of Regents and approval from the Jt. Legislative Committee on the Budget.

Proposed law requires the commissioner of administration to ensure that sufficient funds and resources are available to fully effect the transfer of UNO to the LSU System. Further requires the legislature to appropriate sufficient funds to the Bd. of Supervisors of the UL System and the Bd. of Supervisors for the LSU System to fully effect the transfer. Further provides that such funding and resources shall not impact the Bd. of Regents' formula for equitable distribution of funds to institutions of higher education.

Proposed law requires the commissioner of administration to indemnify and hold harmless the transferee and transferor management boards for any liability and costs which may directly result from the mandated transfer.

Proposed law provides that upon the date of transfer, fees previously paid by UNO to the Bd. of Supervisors of the UL System and which become due after the transfer shall be paid to the Bd. of Regents, who will use the proceeds to defray transfer costs, including indemnification insurance.

Proposed law provides that the legislature may place reasonable conditions on granting of transition funding, such as receipt of a comprehensive transition plan or demonstration of benchmarks reached.

Proposed law clarifies that the proposed law does not preclude a Memorandum of Understanding (MOU) between the boards under which an existing bonded indebtedness of the UL System. Board would remain in force after an agreement that the Bd. of Supervisors for the LSU System would be responsible for all payments, costs, and other covenants contained in the bonded indebtedness. Requires the Bd. of Supervisors of the UL System "to make every effort" to maintain such bonded indebtedness under an MOU if it is advantageous to the state.

Present law (R.S. 17:3230) provides that UNO is under the UL System.

Proposed law repeals this provision.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 17:3215(9) and 3241(B)(2); adds R.S. 17:3215(10) and 3230.1; repeals R.S. 17:3217(A)(9) and 3230)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Education to the original bill

1. Make technical changes.
2. Require Bd. of Supervisors of the LSU System to form a transition team and develop a comprehensive transition plan.
3. Require Bd. of Supervisors for the UL System to continue to balance the UNO budget prior to receipt of transition approval.
4. Prohibit Bd. of Supervisors for the UL System from imposing any budget reductions or changes in funding without prior review of the Bd. of Regents.
5. Remove language that prohibits the Bd. of Supervisors for the UL System from taking any personnel action without the prior approval of the Bd. of Supervisors of the LSU System.
6. Require the commissioner of administration purchase available insurance for indemnification.
7. Change effective date for funds being paid to Bd. of Supervisors of LSU System from "effective beginning with the 2025-2026 Fiscal Year" to "upon the date of transfer".
8. Allow legislature to place reasonable conditions on granting of transition funding.
9. Clarify legislative intent language to align with proposed law.