

Regular Session, 2011

HOUSE BILL NO. 537

BY REPRESENTATIVE TUCKER AND SENATOR APPEL

VETOED
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Veto Message

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

AN ACT

To amend and reenact R.S. 17:3217, to enact R.S. 17:3230 and Part III-A of Chapter 26 of Title 17 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 17:3241, and to repeal R.S. 17:3215(2), relative to postsecondary education; to provide for the transfer of the University of New Orleans to the University of Louisiana System; to provide relative to the transfer of the facilities, resources, funds, obligations, and functions of the institution and related foundations; 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 effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

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

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

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

- (1) Grambling State University at Grambling.
- (2) Louisiana Tech University at Ruston.
- (3) McNeese State University at Lake Charles.
- (4) Nicholls State University at Thibodaux.

~~(5) Northeast Louisiana University of Louisiana at Monroe.~~

~~(6)~~(5) Northwestern State University of Louisiana at Natchitoches.

~~(7)~~(6) Southeastern Louisiana University at Hammond.

~~(8) University of Southwestern Louisiana at Lafayette.~~

(7) The University of Louisiana at Lafayette.

(8) The University of Louisiana at Monroe.

(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 Trustees for State Colleges and Universities~~ Board of Supervisors for the University of Louisiana 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 time lines, 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 University of

1 Louisiana System and shall be under the management and supervision of the Board
2 of Supervisors for the University of Louisiana System.

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

6 C. The Board of Supervisors for the University of Louisiana System shall
7 develop policies and procedures to resolve issues related to the status and tenure of
8 employees of the University of New Orleans which may arise from the transfer of
9 the institution to the University of Louisiana System.

10 D. The Board of Supervisors of Louisiana State University and Agricultural
11 and Mechanical College shall:

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

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

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

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

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

30 (1) Interfere with, or impede in any way, the processes to transfer the

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

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

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

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

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

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

19 F. The commissioner of administration shall ensure that sufficient funds and
20 resources are available to fully effect the transfer of the University of New Orleans
21 to the University of Louisiana System. Such funding and resources shall not impact
22 the Board of Regents' formula for the equitable distribution of funds to institutions
23 of postsecondary education.

24 G.(1) The University of New Orleans, pursuant to their agreement with the
25 University of New Orleans Foundation, shall reimburse the state for the purchase of
26 available insurance for indemnification and costs which may arise from the transfer;
27 provided however, that the state of Louisiana shall indemnify and hold harmless the
28 Board of Supervisors of Louisiana State University and Agricultural and Mechanical
29 College and the Board of Supervisors for the University of Louisiana System for any
30 liability and costs which may result from the transfer of existing contracts, financing,

1 ~~or immovable property.~~

2 (2) Effective beginning with the 2011-2012 Fiscal Year, any and all funds
3 previously paid by the University of New Orleans to the Board of Supervisors of
4 Louisiana State University and Agricultural and Mechanical College shall be paid
5 instead to the Board of Supervisors for the University of Louisiana System; however,
6 the total amount of such payments shall not be less than that paid during the 2010-
7 2011 Fiscal Year.

8 H. The legislature shall appropriate sufficient funds to the Board of
9 Supervisors of Louisiana State University and Agricultural and Mechanical College
10 and the Board of Supervisors for the University of Louisiana System to fully effect
11 the transfer of the University of New Orleans to the University of Louisiana System.

12 * * *

13 PART III-A. POSTSECONDARY EDUCATION DELIVERY SYSTEM FOR
14 THE NEW ORLEANS REGION

15 §3241. Legislative intent; goals

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

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

23 (2) Ensure that students who are academically unprepared are provided the
24 educational resources they need to have a reasonable chance for success in their
25 academic pursuits.

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

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

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

1 the following actions:

2 (1) The Board of Regents shall adopt by not later than February 1, 2012, a
3 written plan of action including time lines, deadlines, requirements, and procedures
4 for achieving the goals specified in Subsection A of this Section as such goals relate
5 to the powers, duties, functions, and responsibilities of the board provided by Article
6 VIII, Section 5, of the Constitution of Louisiana and other applicable law. The board
7 shall submit copies of the adopted action plan to the House Committee on Education
8 and the Senate Committee on Education.

9 (2) The Board of Supervisors of Southern University and Agricultural and
10 Mechanical College, the Board of Supervisors for the University of Louisiana
11 System, and the Board of Supervisors of Community and Technical Colleges each
12 shall adopt by not later than February 1, 2012, a written plan of action including time
13 lines, deadlines, requirements, and procedures for achieving the goals specified in
14 Subsection A of this Section as they relate to the powers, duties, functions, and
15 responsibilities of the boards provided by Article VIII, Section 5(E), of the
16 Constitution of Louisiana and other applicable law. Each board also shall submit
17 copies of its adopted action plan to the House Committee on Education and the
18 Senate Committee on Education.

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

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

28 (B) All funds and revenues previously dedicated by authority of the constitution and
29 laws of this state to the payment of any bonds related to the University of New Orleans shall
30 continue to be collected and dedicated to such payments unless and until other provision is

made for such payments in accordance with law. Upon the effective date of the transfer of the University of New Orleans, all acts relating to such bonds by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College shall be deemed to be the acts of the Board of Supervisors for the University of Louisiana System in the same manner and to the same extent as if originally so done.

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

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

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

House Bill No. 537 transfers the University of New Orleans from the Louisiana State University System to the University of Louisiana System. This is an important reform and I have previously signed SB 266 into law to accomplish this goal. Therefore, this legislation is duplicative and not necessary.

For this reason, I have vetoed House Bill No. 537 and hereby return it to the House.