
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 766 Original

2015 Regular Session

Adams

Abstract: Provides relative to exceptions and exemptions from state laws and regulations for certain public colleges and universities.

Present law (the GRAD Act) authorizes public postsecondary education institutions, including professional schools, to enter into performance agreements with the Board of Regents in order to be granted limited operational autonomy and flexibility in exchange for committing to meet established targets for performance objectives as applicable to the institution. Such objectives are categorized relative to student success, articulation and transfer, workforce and economic development, and institutional efficiency and accountability. Institutions may receive authority to increase tuition and various exemptions and exceptions from state regulations of their operations (operational autonomies) pursuant to such performance agreements.

Proposed law, with respect to the operational autonomies, removes the performance agreement conditions on their exercise. Requires instead that an institution that meets certain financial conditions may exercise a modified list of operation autonomies. Financial conditions provided by proposed law are a financial audit with an unmodified opinion, where the financial statements are free of material misstatements and material weaknesses, and the financial position, results of operations, and cash flows are represented fairly in accordance with Generally Accepted Accounting Principles.

Proposed law, with respect to the operational autonomies that an institution may exercise, retains, modifies, or removes autonomies as follows:

- (1) Present law authorizes an institution to retain funds which are unexpended and unobligated at the end of the fiscal year for use at the institution's discretion subject to the prior review and approval of the Joint Legislative Committee on the Budget. Proposed law removes the stipulation that such autonomy is subject to approval by the legislative budget committee.
- (2) Present law authorizes an institution to dispose of obsolete equipment, excluding vehicles and items deemed by federal law to be of a dangerous nature, up to an original acquisition value of \$5,000. Proposed law removes the value limit and requires that the postsecondary management board provide certification to the division of administration that electronic devices are sanitized of any personally identifiable information.
- (3) Present law authorizes the exclusion of positions fully funded by nonappropriated funds from the institution's table of organization. Proposed law authorizes the division of administration

to exclude the institution as a whole to be excluded from any table of organization.

- (4) Present law authorizes exemption from participation in the state's risk management program. Proposed law retains present law.
- (5) Present law generally authorizes an institution to administer facilities projects funded with self-generated revenue, federal funds, donations, grants, or revenue bonds. Proposed law retains present law.
- (6) Proposed law provides the following additional autonomies:
 - (a) Authority to submit an audit or review report prepared by a licensed certified public accountant that has been approved by the legislative auditor rather than having an audit performed by the legislative auditor or his staff.
 - (b) Additional authority to select architects for professional service contracts.
- (7) Present law provides for pilot procurement codes as an alternative to the state procurement code. Proposed law authorizes adoption of a procurement code developed by LSU.

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

(Amends R.S. 17:3139.2, 3139.5, and 3139.6(1))