

2015 Regular Session

HOUSE BILL NO. 720

BY REPRESENTATIVE ADAMS

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

COLLEGES/UNIVERSITIES: Authorizes the Board of Supervisors of the Community and Technical College System to enter into contracts with private nonprofit corporations for certain services

1 AN ACT

2 To enact R.S. 17:3394.4, relative to public postsecondary education; to authorize the Board
3 of Supervisors of Community and Technical Colleges to enter into contractual
4 agreements with private nonprofit corporations for certain services; to provide with
5 respect to the purposes relative to such contractual agreements; to provide for the
6 terms and conditions of such contractual agreements; to provide for the organization
7 of the private nonprofit corporations party to such contractual agreements; to provide
8 for the distribution of excess profits or revenues generated by private nonprofit
9 corporations as a result of such contractual agreements; and to provide for related
10 matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 17:3394.4 is hereby enacted to read as follows:

13 §3394.4. Board of Supervisors of Community and Technical Colleges; relationship
14 with private nonprofit corporations relative to operation of enterprise services

15 A. It is the intent of the legislature to ensure that the institutions of the
16 Louisiana Community and Technical College System are responsive to the
17 workforce needs of this state. The authorities granted to the Board of Supervisors
18 of Community and Technical Colleges pursuant to this Section are intended to
19 facilitate and promote operational and financial efficiencies through a collaborative
20 endeavor for its member institutions with private nonprofit corporations. The
21 authorities granted under this Section are intended to be in addition to and not in any

1 way to limit any other authority granted to the board pursuant to applicable
2 provisions of law.

3 B. In exercising the authority and responsibilities granted to it pursuant to
4 applicable provisions of law, including but not limited to the provisions of R.S.
5 17:1871, R.S. 17:3351, and R.S. 17:3361 et seq., the Board of Supervisors of
6 Community and Technical Colleges may enter into contractual agreements with a
7 private nonprofit corporation as may be beneficial to provide for the efficient
8 operation of its member institutions for any of the following purposes:

9 (1) Food services and vending operations.

10 (2) Bookstore services.

11 (3) Janitorial, custodial, or grounds keeping services.

12 (4) Physical plant operations.

13 (5) Information technology and telecommunication operations.

14 (6) Student housing operations.

15 (7) Parking and garage operations.

16 (8) Accounting and financial aid services.

17 (9) Any other operations or functions central to the mission of the colleges
18 that could be more efficiently provided under the provisions of this Section.

19 (10) The financing, construction, procurement, maintenance, and
20 management of facilities relative to the foregoing.

21 C. The contractual agreement between the Board of Supervisors of
22 Community and Technical Colleges and the private nonprofit corporation shall not
23 exceed a term of thirty years and may provide for the management, operation,
24 procurement, maintenance, lease, lease back, sublease, or financing of any of the
25 operations, services, or related facilities authorized by this Section.

26 D. The private nonprofit corporation shall be organized for the purposes of
27 supporting the Board of Supervisors of Community and Technical Colleges or any
28 combination of its member institutions. The corporation shall be subject to other

1 provisions of law applicable thereto, including but not limited to the provisions of
2 R.S. 17:3390 and R.S. 24:513.
3 E. Any profit or excess revenues realized by a private nonprofit corporation
4 which was authorized to enter into a contractual agreement pursuant to this Section
5 may be distributed only to other nonprofit corporations or foundations created to
6 support the Louisiana Community and Technical College System with the condition
7 that all such distributed funds must be used for the sole purpose of financially
8 supporting the mission of the Louisiana Community and Technical College System
9 institutions supported by such nonprofit corporation or foundation.

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 720 Engrossed

2015 Regular Session

Adams

Abstract: Authorizes the Board of Supervisors of Community and Technical Colleges to enter into contracts with private nonprofit corporations to obtain certain services.

Proposed law authorizes the Board of Supervisors of Community and Technical Colleges (the board) to enter into contractual agreements with private non-profit corporations. Provides that the authorities granted to the board pursuant to proposed law are intended to facilitate and promote operational and financial efficiencies. Also provides that the authorities granted to the board by proposed law are intended to be in addition to and not in any way to limit any other authorities granted to the board pursuant to applicable provisions of present law.

Proposed law provides that, as a result of the authority and responsibilities granted to it by present law, the board may enter into such contractual agreements for any of the following purposes to benefit its member institutions:

- (1) Food services and vending operations.
- (2) Bookstore services.
- (3) Janitorial, custodial, or grounds keeping services.
- (4) Physical plant operations.
- (5) Information technology and telecommunication operations.
- (6) Student housing operations.
- (7) Parking and garage operations.
- (8) Accounting and financial aid services.

- (9) Other operations or functions central to the mission of the colleges that could be more efficiently provided under the provisions of proposed law.
- (10) The financing, construction, procurement, maintenance, and management of facilities relative to proposed law.

Proposed law provides that the contractual agreement between the board and the private nonprofit corporation shall not exceed a term of 30 years. Further provides that such agreement may provide for the management, operation, procurement, maintenance, lease, lease back, sublease, or financing of any of the operations, services, or related facilities authorized by proposed law.

Proposed law provides that the private nonprofit corporation shall be organized for the purposes of supporting the board or any combination of its member institutions.

Proposed law provides that any profit or excess revenues realized by such a private nonprofit corporation may be distributed only to other nonprofit corporations or foundations created to support the community and technical colleges with the condition that all such distributed funds be used for the sole purpose of financially supporting the mission of the system's member institutions.

(Adds R.S. 17:3394.4)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Education to the original bill:

- 1. Make technical changes.
- 2. Add a reference to the legislative auditor statute to requirement that corporations comply with present law.