

2016 Regular Session

HOUSE BILL NO. 842

BY REPRESENTATIVE BROADWATER

HIGHER ED/BD REGENTS: Provides for the consolidation of certain boards and commissions into the Board of Regents

1 AN ACT

2 To amend and reenact R.S. 17:3021, 3023(A)(introductory paragraph), (1), (2)(a),
3 (b)(introductory paragraph), (4) through (10) and (B), 3024, 3025(A)(introductory
4 paragraph), (2), (5), and (8), (B), and (C), 3031, 3035, 3452, 3454(A),
5 (B)(introductory paragraph), (6)(a) and (b), (9), (13), (C), and (D), 3455, and
6 3456(A) and (B), R.S. 36:651(BB), and R.S. 51:2211(A), 2212(2), 2213(D) and (F),
7 and 2215(A) and to repeal R.S. 17:3022 and 3453, and R.S. 36:651(M), 651(CC),
8 801.4, 802.23, and 51:2214(A) through (F); to abolish the MediFund Board and to
9 transfer its powers and duties to the Board of Regents; to abolish the Louisiana
10 Student Financial Assistance Commission and transfer its powers and duties to the
11 Board of Regents; to abolish the Executive Board of the Louisiana Marine
12 Consortium for Research and Education and transfer its powers and duties to the
13 Board of Regents; and to provide for related matters.

14 Be it enacted by the Legislature of Louisiana:

15 **Executive Board of the Louisiana Universities Marine Consortium for Research and**
16 **Education**

17 Section 1.(A) R.S. 17:3452, 3454(A), (B)(introductory paragraph), (6) (a), and (b),
18 (9), (13), (C), and (D), 3455, and 3456(A) and (B) are hereby amended and reenacted to read
19 as follows:

1 §3452. Louisiana Universities Marine Consortium for Research and Education;
2 creation; membership

3 The Louisiana Universities Marine Consortium for Research and Education,
4 referred to hereinafter as the consortium, is hereby created as a body corporate under
5 the authority of the Board of Regents ~~to be administered by an executive board as~~
6 ~~provided in this Chapter~~ hereafter to be referred to as the board in this Chapter.

7 * * *

8 §3454. Louisiana Universities Marine Consortium for Research and Education;
9 governance, funding

10 A. The Louisiana Universities Marine Consortium for Research and
11 Education shall be subject to the governance of the Board of Regents. The board
12 shall serve as fiscal agent for the consortium and shall review and approve the
13 consortium's budgetary request and operating budget and shall review and approve
14 all funds appropriately awarded or bequeathed to the consortium. ~~The executive~~
15 ~~board of the consortium shall prepare and submit all budget requests and other~~
16 ~~budgetary documents required by the Board of Regents for its approval.~~ All funds
17 appropriated to the consortium shall be appropriated as a separate line item within
18 the appropriation of the Board of Regents.

19 B. As the governing body of the Louisiana Universities Marine Consortium
20 for Research and Education, the ~~executive board of the consortium~~ shall have
21 authority to:

22 * * *

23 (6)(a) Except as otherwise provided in this Chapter, approve the appointment
24 of such administrative officers and other personnel as the ~~executive~~ board deems
25 necessary and designate their titles. In making its appointments, the ~~executive~~ board
26 shall give consideration to the recommendations of the executive director and, in
27 proper cases, to the head of any college or university affected by an appointment.
28 Appointments of classified employees shall be in conformity with applicable civil
29 service laws, rules, and regulations.

1 (b) The compensation of all officers and employees, except those classified
2 civil service employees, shall be fixed by the ~~executive~~ board and the officers so
3 appointed shall serve at the pleasure of the ~~executive~~ board.

4 * * *

5 (9) Affiliate with any institution giving any special course of instruction,
6 upon such terms as the ~~executive~~ board deems expedient, which terms may include
7 the retention by such institution of the control of property, faculty, and staff.

8 * * *

9 (13) Establish such subcommittees as may be necessary to assist the
10 ~~executive~~ board in the implementation of the provisions of this Chapter.

11 * * *

12 C. The ~~executive~~ board may enter into contracts and agreements with any
13 public agency for the establishment of state or other public offices on the property
14 and in the buildings belonging to or under the control of the consortium. The
15 ~~executive~~ board also may enter into contracts and agreements for joint construction,
16 equipment, maintenance, and financing of such buildings, and enter into contracts
17 and agreements for the joint financing, supervision, and conduct of cooperative
18 enterprises and undertakings.

19 D. The liability of any of the acts of the consortium or any of its employees,
20 or persons associated with any property of the consortium, shall be the liability of the
21 consortium as represented by the ~~executive~~ board.

22 §3455. Executive director; appointment; functions

23 The ~~executive~~ board may appoint a chief administrative officer who shall be
24 the executive director of the consortium. The executive director of the consortium
25 shall serve at the pleasure of the ~~executive~~ board and shall, with the approval of the
26 ~~executive~~ board and subject to the applicable civil service laws, rules, and
27 regulations of the state, appoint and remove all professional, research, technical,
28 clerical, and stenographic employees of the consortium. The compensation of the
29 executive director shall be fixed by the ~~executive~~ board. The executive director shall

1 serve as secretary to the ~~executive~~ board, the executive committee, and any
2 additional committees appointed by the ~~executive~~ board to assist in the
3 implementation of the provisions of this Chapter.

4 §3456. Annual report; master plan

5 A.~~(1)~~ The ~~executive~~ board, in consultation with the Science and Education
6 Advisory Council, shall formulate a five-year master plan for the consortium's
7 marine science and education programs and initiatives and shall make timely
8 revisions to such plan as warranted and necessary.

9 ~~(2) The initial master plan required by this Subsection shall be submitted to~~
10 ~~the Board of Regents not later than February 1, 2013.~~

11 B.~~(1)~~ On or before December thirty-first of each year, the executive director
12 shall submit an annual report of the activities of the consortium to the ~~executive~~
13 board together with any additional information the ~~executive~~ board may require.

14 ~~(2) The chair of the executive board, the executive director of the board, and~~
15 ~~the chair of the Science and Education Advisory Council shall annually make a joint~~
16 ~~report to the Board of Regents regarding the consortium's efficacy in achieving its~~
17 ~~overall mission through implementation of the master plan.~~

18 (B) R.S. 17:3453 and R.S. 36:651(M) and 801.4 are hereby repealed in their entirety.

19 **MediFund Board**

20 Section 2.(A) R.S. 51:2211(A), 2212(2), 2213(D) and (F), and 2215(A) are hereby
21 amended and reenacted to read as follows:

22 §2211. Purpose and goals

23 A. The provisions of this Chapter establish the MediFund as a special fund
24 within the state treasury to support advancement of biosciences, biomedical, and
25 medical centers of excellence in Louisiana. The ~~MediFund governing board~~ Board
26 of Regents shall endeavor to achieve this purpose by coordinating and deploying
27 public and private resources to strategically develop and enhance this state's
28 competitiveness in biosciences, biomedical, and medical centers of excellence.

29 * * *

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 §2212. Definitions

2 As used in this Chapter, the following terms shall have the meanings ascribed
3 to them below:

4 * * *

5 (2) "Board" means the ~~MediFund governing board~~ Board of Regents.

6 * * *

7 §2213. MediFund; creation

8 * * *

9 D. Subject to appropriation by the legislature to the ~~MediFund Board~~
10 ~~through the Board of Regents~~ board, the monies in the fund shall be used solely for
11 the purposes provided in this Chapter. The monies appropriated by the legislature
12 and disbursed from the MediFund shall not displace, replace, or supplant funding for
13 higher education for a purpose for which a general fund appropriation was made in
14 the previous year unless the total appropriation for that fiscal year from the state
15 general fund for such purpose exceeds general fund appropriations for the previous
16 year.

17 * * *

18 F. Three percent of the balance of the fund or an amount not to exceed six
19 hundred thousand dollars, whichever is lesser, shall be used for administrative fees
20 to accomplish the purpose of this Chapter, as approved by the ~~MediFund~~ board.

21 * * *

22 §2215. MediFund program guidelines

23 A. The MediFund Program shall be administered by the Board of Regents
24 through its Sponsored Programs Unit, in accordance with the policies promulgated
25 by the ~~MediFund Board~~ board. All grant application review and grant selection
26 processes shall follow the competitive request for proposals process and external
27 review process as may be utilized by the Sponsored Programs Unit, including
28 published criteria, so as to ensure impartial and merit-based grant selection.

29 * * *

1 (B) R.S. 36:651(CC) and 802.23 and R.S. 51:2214(A) through (F) are hereby
2 repealed in their entirety.

3 **Louisiana Student Financial Assistance Commission**

4 Section 1.(A) R.S. 17:3021, 3023(A)(introductory paragraph), (1), (2)(a),
5 (b)(introductory paragraph), (4) through (10) and (B), 3024, 3025(A)(introductory
6 paragraph), (2), (5), and (8), (B), and (C), 3031, and 3035, are hereby amended and
7 reenacted to read as follows:

8 §3021. ~~Louisiana Student Financial Assistance Commission Board~~; purpose

9 ~~There is hereby created the Louisiana Student Financial Assistance~~
10 ~~Commission. Any reference to the Governor's Special Commission on Education~~
11 ~~Services in law or in any rule or regulation shall be deemed to apply to the Louisiana~~
12 ~~Student Financial Assistance Commission. The purpose of such commission~~ Board
13 of Regents, hereafter referred to in this Chapter as board, is to supervise, control,
14 direct, and administer state and federal programs to provide loans to assist persons
15 in meeting the expenses of higher education, and state and federal scholarship
16 programs for higher education in accordance with the provisions of this Chapter.

17 * * *

18 §3023. Powers and duties

19 A. The ~~Louisiana Student Financial Assistance Commission~~ board may:

20 (1) Guarantee the loan of money to lending agencies and/or any holders of
21 such loans, subject to the requirement of R.S. 17:3023.4 and upon such other terms
22 and conditions as the ~~commission~~ board may prescribe, for persons attending or
23 planning to attend institutions of higher education to assist them in meeting their
24 expenses of higher education, including graduate, professional, vocational, business,
25 or technical education.

26 (2)(a) Pay to the lending agencies and/or any holders of such loans the
27 interest as prescribed in R.S. 17:3023.4, on loans made to students, as long as the
28 student is enrolled in any institution of higher learning approved by the ~~commission~~

1 board, or for not in excess of three years during which the borrower is in the active
2 military service of the United States.

3 (b) When federal funds are available to refund the ~~commission~~ board for
4 payment of interest on student loans, periodic installment payments of principal may
5 be delayed, and interest may accrue and may be paid during any period:

6 * * *

7 (4) Reject or take or hold and administer, on behalf of the ~~commission~~ board
8 and for any of its purposes, real property, personal property, and monies, or any
9 interest therein, and the income therefrom, either absolutely or in trust, for any
10 purpose of the ~~commission~~ board. The ~~commission~~ board may invest its funds in
11 any investments in which funds of the state employees retirement system may be
12 invested pursuant to R.S. 11:517. The ~~commission~~ board may acquire property or
13 monies for its purposes by the acceptance of gifts, grants, appropriations, bequests,
14 devises, or loans.

15 (5) Enter into such contracts, as may be desirable, with institutions of higher
16 education, upon such terms as may be agreed upon between the ~~commission~~ board
17 and the institution, to provide for the administration by such institution of any loan
18 or loan plan guaranteed by the ~~commission~~ board, including but not limited to
19 applications therefor and repayment thereof.

20 (6) Enter into contracts with any bank or other lending agency and/or any
21 holder of such loan upon such terms as may be agreed upon between the ~~commission~~
22 board and the bank or other lending agency or holder, to provide for the
23 administration by such bank or other lending agency or holder, of any loan or loan
24 plan guaranteed by the commission including but not limited to applications therefor
25 and terms of repayment thereof, and to establish the conditions for payment by the
26 ~~commission~~ board to the bank or other lending agency and/or the holder of the
27 guarantee on any loan. A loan shall be defaulted when the bank or other lending
28 agency and/or holder makes application to the ~~commission~~ board for payment on the

1 loan stating that such loan is in default in accordance with the terms of a contract
2 executed under this Paragraph.

3 (7) Sue and be sued in the name of the commission board.

4 (8) Collect loans guaranteed by the commission board on which the
5 commission board has met its guarantee obligations.

6 (9) Adopt rules and regulations in accordance with the provisions of the
7 Administrative Procedure Act, not inconsistent with the provisions of this Chapter,
8 governing the guarantee, disbursement, and/or servicing of loans made by the
9 commission board, and governing any other matters relating to the activities of the
10 commission. Such rules and regulations shall include procedures for the denial of
11 licenses, permits, and certificates required by the state to practice or engage in a
12 trade, occupation, or profession to applicants and renewal applicants in default on the
13 repayment of loans guaranteed by the commission board, for the conditional issuance
14 or renewal of such a license, permit, or certificate pending an applicant's compliance
15 with loan repayment requirements, and for other matters necessary to implement the
16 provisions of R.S. 37:2951.

17 (10) Perform such other acts as may be necessary or appropriate to carry out
18 effectively the objects and purposes of the commission board.

19 * * *

20 B. In addition to any other powers and duties authorized by this Section ~~for~~
21 ~~the Louisiana Student Financial Assistance Commission~~, the commission board shall
22 establish an internal audit function and shall establish an office of the chief audit
23 executive who shall be responsible for ensuring that the internal audit function
24 adheres to the Institute of Internal Auditors, International Standards for the
25 Professional Practice of Internal Auditing. The chief audit executive shall maintain
26 organizational independence in accordance with these standards and shall have direct
27 and unrestricted access to the commission board. The chief audit executive shall
28 annually certify to the commission board that the internal audit function conforms

1 to the Institute of Internal Auditors, International Standards for the Professional
2 Practice of Internal Auditing.

3 §3024. Acceptance and use of funds

4 The ~~Louisiana Student Financial Assistance Commission~~ board shall accept
5 any contributions or subsidies made to it from state funds and shall use the funds to
6 meet administrative expenses for any of its purposes and to provide a reserve fund
7 to guarantee loans made pursuant to the provisions of this Chapter and to pay interest
8 on guaranteed loans, as provided by R.S. 17:3023.

9 §3025. Legal services; in-house counsel

10 A. Pursuant to the provisions of R.S. 42:261(K), the ~~Louisiana Student~~
11 ~~Financial Assistance Commission~~ board may retain and employ counsel for the
12 following purposes:

13 * * *

14 (2) To draft and review ~~commission~~ board policies, regulations, and forms
15 used in the administration of the guaranteed student loan program.

16 * * *

17 (5) To represent the ~~commission~~ board in courtroom bankruptcy proceedings
18 and file complaints when repayment terms are unsatisfactory.

19 * * *

20 (8) To research and draft proposed changes to state statutes as mandated by
21 the ~~commission~~ board or by changes in federal statutes or regulations.

22 * * *

23 B. In all other legal matters the ~~commission~~ board shall be represented by
24 the attorney general in accordance with the provisions of R.S. 42:261.

25 C. The compensation of the counsel retained and employed pursuant to this
26 Section shall be fixed and paid by the ~~commission~~ board with the approval of the
27 governor.

28 * * *

29 §3031. State student incentive grant; federal participation

1 A. The ~~Louisiana Student Financial Assistance Commission~~ board is
 2 empowered to administer the state student incentive grant program for student
 3 financial aid as provided in Title IV of the Federal Higher Education Act,¹ as
 4 amended, and to prescribe appropriate rules and regulations applicable thereto. The
 5 ~~commission~~ board is authorized to enter into contracts or agreements with the federal
 6 government for their financial participation in the program on such terms and
 7 conditions as may be agreed upon by the ~~commission~~ board.

8 B. The ~~commission~~ board is authorized to implement a program to train and
 9 further acquaint administrators of financial aid and assistance with the federal and
 10 state programs of student financial aid, pursuant to the Federal Higher Education Act
 11 as amended by Public Law 94-482.² The ~~commission~~ board shall design and develop
 12 this program in consultation with the statewide financial aid administrators
 13 association. The ~~commission~~ board may provide appropriate rules and regulations
 14 in order to execute this provision. The ~~commission~~ board is authorized to enter into
 15 contracts or agreements with the federal government for their financial participation
 16 in the program on such terms and conditions as may be agreed upon by the
 17 ~~commission~~ board.

18 * * *

19 §3035. State scholarship program for needy students; administration

20 The ~~Louisiana Student Financial Assistance Commission~~ board is empowered
 21 to administer the state scholarship program for needy students authorized and
 22 established by Section 3023.6 of Title 17 of the Louisiana Revised Statutes of 1950
 23 and to prescribe appropriate rules and regulations applicable thereto.

24 * * *

25 (B) R.S. 36:651(BB) is hereby amended and reenacted to read as follows:

26 §651. Transfer of boards, commissions, departments, and agencies to Department
 27 of Education; boards, commissions, and agencies within Department of
 28 Education

29 * * *

1 BB. The Louisiana Student Financial Assistance Commission (R.S. 17:3021
 2 et seq.) is hereby abolished and its powers, duties, functions and responsibilities are
 3 hereby transferred to ~~placed within the Board of Regents, and shall exercise and~~
 4 ~~perform its powers, duties, functions, and responsibilities in the manner provided for~~
 5 ~~agencies transferred in accordance with the provisions of R.S. 36:801.1. All~~
 6 reference in law to the Louisiana Student Financial Assistance Commission shall
 7 refer to the Board of Regents.

* * *

9 (C) R.S. 17:3022 is hereby repealed in its entirety.

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 842 Original

2016 Regular Session

Broadwater

Abstract: Provides for the abolition of the Executive Board of the Louisiana Universities Marine Consortium for Research and Education, the Medifund Board, and the Louisiana Student Financial Assistance Commission, and the transfer of their powers and duties to the Board of Regents

Executive Board of the Louisiana Universities Marine Consortium for Research and Education (LUMCON): Present law provides for the creation of the LUMCON as a statewide entity with the primary function of conducting research and promoting education in the marine sciences and marine technology, particularly where related to coastal resources and the impact of energy related industries upon these coastal resources. Present law provides for the creation of the executive board to administer the affairs of the consortium. Proposed law provides for the abolition of the board and the transfer of all of its powers and duties to the Board of Regents.

MediFund Board: Present law provides for the establishment of MediFund as a special fund within the state treasury to support advancement of biosciences, biomedical, and medical centers of excellence in Louisiana. Further provides for the creation of the MediFund governing board, which endeavors to achieve this purpose by coordinating and deploying public and private resources to strategically develop and enhance this state's competitiveness in biosciences, biomedical, and medical centers of excellence. Proposed law provides for the abolition of the MediFund governing board and the transfer of all of its powers and duties to the Board of Regents.

Louisiana Student Financial Assistance Commission: Present law provides for the creation of the commission. The purpose of such commission is to supervise, control, direct, and administer state and federal programs to provide loans to assist persons in meeting the expenses of higher education, and state and federal scholarship programs for higher education in accordance with the provisions of present law. Proposed law provides for the abolition of the commission and the transfer of all of its powers and duties to the Board of Regents.

(Amends R.S. 17:3021, 3023(A)(intro. para.), (1), (2)(a), (b)(intro. para.), (4) through (10) and (B), 3024, 3025(A)(intro. para.), (2), (5), and (8), (B), and (C), 3031, 3035, 3452, 3454(A), (B)(intro. para.), (6)(a) and (b), (9), (13), (C), and (D), 3455, and 3456(A) and (B), R.S. 36:651(BB), and R.S. 51:2211(A), 2212(2), 2213(D) and (F), and 2215(A) and to repeal R.S. 17:3022 and 3453, and R.S. 36:651(M), 651(CC), 801.4, 802.23, and 51:2214(A) through (F))