

**Richard A. Lipsey**  
**Chair**

**Edward D. Markle**  
**Vice Chair**

**Marty J. Chabert**  
**Secretary**

**Joseph C. Rallo, Ph.D.**  
**Commissioner of**  
**Higher Education**



**Claudia H. Adley**  
**Blake R. David**  
**Thomas G. Henning**  
**Robert W. Levy**  
**Roy O. Martin III**  
**Charles R. McDonald**  
**Darren G. Mire**  
**W. Clinton Rasberry, Jr.**  
**T. Jay Seale III**  
**W. Gray Stream**  
**Collis B. Temple III**  
**Jacqueline V. Wyatt**  
**Benson T. Kinney, Student**

**BOARD OF REGENTS**

**P. O. Box 3677**  
**Baton Rouge, LA 70821-3677**  
**Phone (225) 342-4253, FAX (225) 342-9318**  
**[www.regents.la.gov](http://www.regents.la.gov)**

ATTACHMENT 1.1.1

March 31, 2017

**To: King Alexander, President, LSU System**  
**Ray Belton, President, Southern System**  
**Jim Henderson, President, UL System**  
**Monty Sullivan, President, LCTC System**

**From: Joseph C. Rallo, Commissioner, Board of Regents**

**RE: Act 619 Recommendations**

As you know, Act 619 of 2016 required the Board of Regents to undertake a comprehensive examination of Louisiana public postsecondary education, develop recommendations for optimal delivery of postsecondary education in the future, and submit a report to the Louisiana Legislature. Following months of study and input from stakeholders, the Board adopted the response to Act 619 at its meeting on February 24, 2017.

Although the report includes numerous recommendations for the campuses, management boards, the Legislature and the Board of Regents itself, I want to address two specific interrelated recommendations from Chapter 1: Governance and Structure. Recommendations 1.1 and 1.2 read as follows:

- 1.1 The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop centralization plans for consideration by the Board of Regents. These plans should review current centralization efforts and examine potential efficiencies for further centralizing administrative functions, including, but not limited to: purchasing, payroll, financial aid, maintenance and operations, human resources and other administrative functions performed on individual campuses. The plans should include the short-term and long-term costs of implementation and the potential short-term and long-term savings from such centralization. The plans must be submitted to the Board of Regents no later than January 1, 2018, for review and action, with a goal of implementation by 2020.
- 1.2 The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop cooperative unification plans, in collaboration with appropriate regional stakeholders, for institutions within each of the eight Louisiana Regional Labor Market Areas and for institutions in proximity between contiguous regions. These plans must be submitted to the Board of Regents for consideration and include, at a minimum, potential efficiencies by unifying functions and processes, including, but not limited to, academic and technical offerings, identification of regional workforce and economic needs, student services, research, purchasing, food services, and security. In addition, the plans should examine the short-term and long-term costs and savings from such unification. The plans will be submitted to the Board of Regents no later than January 1, 2018, for review and action, with a goal of implementation by 2020.

Legislators and others are frequently critical of Louisiana public postsecondary education for waste and inefficiencies. Preparing plans for possible further centralization efforts and cooperative regional unification plans serve at least three purposes:

1. The plans provide an opportunity for postsecondary education to 'tell its story'. A significant component of the plans should include a description and historical perspective on what the systems have accomplished to date and resulting savings and other efficiencies. I encourage the management boards in their respective reports to illustrate any progress that has been made in these areas thus far. We want the legislature and other stakeholders to understand the efforts that have already been made by each system. Recognition of this growth is crucial to note as you move forward in outlining future initiatives.
2. By collaborating on the plans, especially the regional unification plans, the systems and campuses can learn from each other, review best practices, potentially consolidate duplicative processes and make the most of what resources we have.
3. These plans provide an opportunity for the management boards to identify and propose further efficiencies from your own perspectives to ensure that the Legislature understands the issues and required costs, especially on the front end. It is oftentimes necessary in these efforts for one to spend money to save money.

If postsecondary education has done all it can do with the resources it has, these plans provide the mechanism to deliver that message. However, if through this exercise further efficiencies can be identified, we will all benefit. At a minimum, the plans should identify short-term and long-term costs and savings of such initiatives. It is my intent and expectation that any savings realized through these efforts will be retained by the systems/campuses for further improvements.

These plans are in no way competitive. Collaboration between and among systems is paramount for the postsecondary community as a whole to benefit. To maximize the utility of the documents, please address each issue identified in the recommendations. You may wish to review the narrative in the response to Act 619 in support of the recommendations for further insight. <http://www.regents.la.gov/page/619Response>

I want to thank you in advance for your cooperation and effort on this initiative. It is my hope that the results will provide further evidence to the Legislature of the many efficiencies already evident in postsecondary education and additional recommendations for further improvement. While the centralization and regional unification reports are not due until January 1, 2018, I encourage each of you to work together in the coming months to prepare meaningful reports that can be used to promote the good work currently being accomplished in postsecondary education and to further educate the Legislature on our efforts.

I shall be contacting you in the interim to discuss progress on these efforts. If you have any questions, please do not hesitate to contact me.

JCR:LT:chb

**Richard A. Lipsey**  
**Chair**

**Edward D. Markle**  
**Vice Chair**

**Marty J. Chabert**  
**Secretary**

**Joseph C. Rallo, Ph.D.**  
**Commissioner of**  
**Higher Education**



**Claudia H. Adley**  
**Blake R. David**  
**Thomas G. Henning**  
**Robert W. Levy**  
**Roy O. Martin III**  
**Charles R. McDonald**  
**Darren G. Mire**  
**W. Clinton Rasberry, Jr.**  
**T. Jay Seale III**  
**Collis B. Temple III**  
**Jacqueline V. Wyatt**  
**Benson T. Kinney, Student**

**BOARD OF REGENTS**

**P. O. Box 3677**

**Baton Rouge, LA 70821-3677**

**Phone (225) 342-4253, FAX (225) 342-9318**

**[www.regents.la.gov](http://www.regents.la.gov)**

ATTACHMENT 1.1.2

September 21, 2017

**To:** King Alexander, President, LSU System  
Ray Belton, President, Southern System  
Jim Henderson, President, UL System  
Monty Sullivan, President, LCTC System

**From:** Joseph C. Rallo, Ph.D.  
Commissioner of Higher Education

**RE:** Act 619 Recommendations Reminder

As you know, Act 619 of 2016 required the Board of Regents to undertake a comprehensive examination of Louisiana public postsecondary education and submit a report to the Louisiana Legislature. The Board adopted the response to Act 619 at its meeting on February 24, 2017.

I wrote to you in March regarding the report's Recommendations 1.1 and 1.2. (See attached.) This memo is merely a reminder of the January deadline for both the system centralization plans (1.1) and the regional cooperative unification plans (1.2). I assume that you are actively engaged in this process and committed to meet the January 1<sup>st</sup> deadline. As you know, numerous legislators have expressed interest in these plans and their hope that meaningful efforts will result.

Although I mentioned this in my previous memo in March, I want to re-emphasize that, first and foremost, these plans provide an opportunity for postsecondary education to 'tell its story'. A significant component of the plans should include a description and historical perspective of what the systems have accomplished to date and resulting savings and other efficiencies. This effort also provides an opportunity to identify and propose further efficiencies from your own perspectives to ensure that the Legislature understands the issues and required costs, especially on the front end. It is oftentimes necessary in these efforts for one to spend money to save money. I wish to underscore what I said in my previous letter that any savings realized through these efforts will be retained by the systems/campuses for further improvements.

I want to thank you in advance for your efforts on these initiatives and hope that the results will provide further evidence to the Legislature of the many efficiencies already evident in postsecondary education, as well as additional recommendations for further improvement.

If you have any questions, please do not hesitate to contact me.

JCR:LT:chb

Attachment

Attachment 1.1.3

January 5, 2018

To: King Alexander, President, LSU System  
Ray Belton, President, Southern System  
Jim Henderson, President, UL System  
Monty Sullivan, President, LCTC System

From: Larry Tremblay, Deputy Commissioner, Board of Regents

RE: Act 619 Reminder

On behalf of Commissioner Rallo, I am following up on his letters of March and September regarding Recommendations 1.1 and 1.2. of the Regents' response to Act 619 of 2016. (See attached.) This memo is a reminder of the January 1<sup>st</sup> deadline for both the system centralization plans (1.1) and the regional cooperative unification plans (1.2). To my knowledge, as of this morning, the reports have not been submitted. As you know, numerous legislators (especially the author of Act 619) have expressed interest in these plans and their hope that meaningful efforts will result.

As Commissioner Rallo noted in his earlier correspondence, I want to emphasize as well that first and foremost, these plans provide an opportunity for postsecondary education to 'tell its story'. A significant component of the plans should include a description and historical perspective of what the systems have accomplished to date and resulting savings and other efficiencies. This effort also provides an opportunity to identify and propose further efficiencies from your own perspectives to ensure that the Legislature understands the issues and required costs, especially on the front end.

Thank you for your attention to this matter.



Jan. 5, 2018

Dr. Joseph P. Rallo  
Commissioner  
Louisiana Board of Regents  
P.O. Box 3677  
Baton Rouge, LA 70821-3677

Dear Commissioner Rallo:

In response to your recent email concerning Act 619 of the 2016 Louisiana Legislative Session, below is an update on Chapter 1: Recommendations 1.1 and 1.2 concerning board governance and structure.

This past summer, the presidents of the Universities of Louisiana and I developed a strategic framework that will guide our work over the next eight years. While financial stewardship and accountability should always be a point of emphasis in our work, we have integrated those efforts into a broader vision to increase educational attainment, meet the needs of business and industry, and grow our state's economy. Through this framework, we are committed to producing the most educated and prepared generation in our state's history. Our framework centers on three key areas:

- Academic Success, Student Success, and Educational Attainment - Produce 150,000 new graduates by 2025 who are prepared for life and career success, while increasing participation and rates of success among all populations.
- Economic Development, Research, and Innovation - Expand public/private partnerships and leverage our collective research capacity to improve quality of life and stimulate economic growth.
- Financial Stewardship and Accountability - Maximize administrative efficiencies to increase investments in instruction and academic support while placing renewed focus on recruiting, retaining, and developing the highest quality faculty.

In the last decade, no state has cut higher education funding more than Louisiana. The Universities of Louisiana have responded to the state's financial challenges by implementing numerous cost saving measures which have reduced the cost per degree awarded at ULS campuses by \$20,500 for Louisiana taxpayers. Those savings were achieved by collaborating across campuses and systems, streamlining degree programs, and reducing salaries by \$72M. We have created a market-driven enterprise that is now less than 25% reliant on state resources. When you consider that more than \$80 million of the \$214 million in state support received by our universities is returned to the state simply to retire unfunded

accrued liabilities, a legacy cost that provides no benefit for the consumers of our services, you must realize our efforts to focus on value and return on investment to students, employers, and other taxpayers will better serve the interests of our state.

That said, our systemic focus on value and return on investment has realized tangible efficiencies. As just one example, three of our universities, faced with obsolescence in their student and back office information technology applications, recently partnered to implement a common ERP system. This collaborative effort saved approximately \$12 million in acquisition costs, and will result in improved business practices and economies of scale. Additionally, staff members from several of our universities joined procurement staff from the LSU System to discuss potential cost savings through integrated procurement practices. On a regular and ongoing basis, our universities, independently and collectively, review processes to maximize our ability to serve our missions while ensuring the most effective use of resources. Consumer-driven enterprises like ours do that.

While our resource challenge is great, we must also not allow a narrow focus on efficiencies to come at the expense of our students. Louisiana already ranks last among all states in terms of total resources per student, meaning Louisiana operates at the lowest unit cost in the country. Our challenge is those “units” are students and the “cost” is our investment in their future, in our future. The rapid advances in technology, the ubiquity of automation, and the emergence of artificial intelligence are changing the very nature of work. For Louisiana to remain competitive, we must aggressively pursue increased investment in talent development while reframing our policy environment to reflect the dramatic shift from state support to the self-sufficiency of our universities. As we compete for investments in the 21<sup>st</sup> century economy, Louisiana’s award-winning restaurants, outdoor recreation, cultural attractions, and affordability cannot outweigh its low educational attainment rate. As a higher education enterprise, we can change the narrative and seize a competitive advantage if we focus on developing our people.

The Universities of Louisiana believe the foundation of workforce development, economic development, and community development is human development. We look forward to working with the Board of Regents and our system partners to realize the potential of the people of Louisiana.

Sincerely,



Claiborne Building | 1201 North Third Street | Suite 7-300 | Baton Rouge, LA 70802  
P 225.342.6950 | F 225.342.6473  
[www.ULSystem.edu](http://www.ULSystem.edu)

January 22, 2018

Dr. Joseph P. Rallo  
Commissioner  
Louisiana Board of Regents  
P.O. Box 3677  
Baton Rouge, LA 70821-3677

Dear Commissioner Rallo:

In response to your recent email concerning Act 619 of the 2016 Louisiana Legislative Session, below is an update on Chapter 1: Recommendations 1.1 and 1.2 concerning board governance and structure.

Over the past several years, the University of Louisiana System has explored numerous scenarios for centralization in various operational areas. This systemic focus on value and return on investment has realized tangible efficiencies. As just one example, three of our universities, faced with obsolescence in their student and back office information technology applications, recently partnered to implement a common ERP system. This collaborative effort saved approximately \$12 million in acquisition costs, and will result in improved business practices and economies of scale. Additionally, staff members from several of our universities joined procurement staff from the LSU System to discuss potential cost savings through integrated procurement practices. Other opportunities for centralization were explored (e.g. centralization of payroll), but potential savings were minimal and startup costs were prohibitive. On a regular and ongoing basis, our universities, independently and collectively, review processes to maximize our ability to serve our missions while ensuring the most effective use of resources. Consumer-driven enterprises like ours do that as a routine business practice.

Across systems, collaboration among institutions in support of regional economies continues to drive innovation and economic growth. From facility sharing to bilateral articulation agreements to seamless partnerships in support of economic development projects, the combined efforts of our management systems and institutions are producing measurable outcomes while operating at the lowest cost per student in the Southern Region Education Board states. Just within the last three months, we showcased two high profile results of this collaborative work. In the National Cyber Research Park, we cut the ribbon on a state-of-the-art facility in support of the burgeoning I-20 Technology Corridor. The facility is jointly operated by Bossier Parish Community College and Louisiana Tech University, both Centers of Academic

Excellence in Cyber Defense, in close proximity to CSRA, a national leader in technology services. Similarly, in the Central Business District of New Orleans, we announced one of the nation's largest economic development projects in the technology sector. DXC Technology cited the close working relationship among our higher education institutions, and our proven track record of success in talent development, in selecting Louisiana over a host of competing states. A more participatory approach to developing the response to Act 619 would have enabled us to better highlight these successes and many others, giving Regents an appropriate context for refining our policy environment and legislators a rationale for reinvestment in our work.

That reinvestment will prove essential in the coming years. In the last decade, no state has cut higher education funding more than Louisiana. The Universities of Louisiana have responded to the state's financial challenges by implementing numerous cost saving measures which have reduced the cost per degree awarded at ULS campuses by \$20,500 for Louisiana taxpayers. Those savings were achieved by collaborating across campuses and systems, streamlining degree programs, and reducing salaries by \$72M. We have created a market-driven enterprise that is now less than 25% reliant on state resources. When you consider that more than \$80 million of the \$214 million in state support received by our universities is returned to the state simply to retire unfunded accrued liabilities, a legacy cost that provides no benefit for the consumers of our services, you must realize our efforts to focus on value and return on investment to students, employers, and other taxpayers will better serve the interests of our state.

This past summer, the Presidents of the Universities of Louisiana and I developed a strategic framework that will guide our work over the next eight years. While financial stewardship and accountability should always be a point of emphasis in our work, we have integrated those efforts into a broader vision to increase educational attainment, meet the needs of business and industry, and grow our state's economy. Through this framework, we are committed to producing the most educated and prepared generation in our state's history. Our framework centers on three key areas:

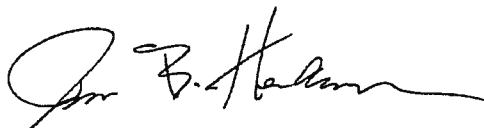
- Academic Success, Student Success, and Educational Attainment - Produce 150,000 new graduates by 2025 who are prepared for life and career success, while increasing participation and rates of success among all populations.
- Economic Development, Research, and Innovation - Expand public/private partnerships and leverage our collective research capacity to improve quality of life and stimulate economic growth.
- Financial Stewardship and Accountability - Maximize administrative efficiencies to increase investments in instruction and academic support while placing renewed focus on recruiting, retaining, and developing the highest quality faculty.

While our resource challenge is great, we must not allow a narrow focus on efficiencies to come at the expense of our students. Louisiana already ranks last among all states in terms of total resources per student, meaning Louisiana operates at the lowest unit cost in the country. Our challenge is those "units" are students and the "cost" is our investment in their future, in our future. The rapid advances in technology, the ubiquity of automation, and the emergence of artificial intelligence are changing the very nature of work. For Louisiana to remain competitive, we must aggressively pursue increased

investment in talent development while reframing our policy environment to reflect the dramatic shift from state support to self-sufficiency of our universities. As we compete for investments in the 21<sup>st</sup> century economy, Louisiana's award-winning restaurants, outdoor recreation, cultural attractions, and affordability cannot outweigh its low educational attainment rate. As a higher education enterprise, we can change the narrative and seize a competitive advantage if we focus on developing our people.

The Universities of Louisiana believe the foundation of workforce development, economic development, and community development is human development. We look forward to working with the Board of Regents and our system partners to realize the potential of the people of Louisiana.

Sincerely,

A handwritten signature in black ink, appearing to read "Dr. J. B. Henderson", with a stylized, flowing script.

Dr. James B. Henderson  
President and CEO

**RESPONSE TO ACT 619  
OF THE 2016 REGULAR SESSION  
OF THE LOUISIANA LEGISLATURE**

**LOUISIANA COMMUNITY  
& TECHNICAL COLLEGE SYSTEM**



**January 2018**

## **Introduction**

Act 619 of the 2016 Regular Session of the Louisiana Legislature (Act 619) states the Board of Regents “shall conduct a comprehensive review of the present postsecondary education system in the state and recommend the optimal delivery of postsecondary education in the future that will meet the needs of the state’s citizens and industries while maximizing the state’s resources.” The Board of Regents adopted a response to Act 619 at its meeting on February 24, 2017. In March of 2017, Higher Education Commissioner Joseph Rallo requested that each management board respond to two items within the Regents’ response by January 2018:

Item 1.1: The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop centralization plans for consideration by the Board of Regents. These plans should review current centralization efforts and examine potential efficiencies for further centralizing administrative functions, including, but not limited to: purchasing, payroll, financial aid, maintenance and operations, human resources and other administrative functions performed on individual campuses. The plans should include the short-term and long-term costs of implementation and the potential short-term and long-term savings from such centralization.

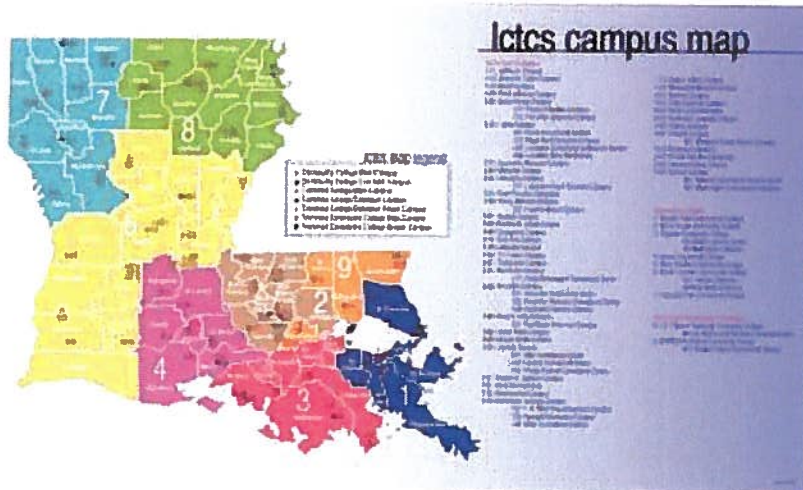
Item 1.2: The Board of Regents recommends that Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop cooperative unification plans, in collaboration with appropriate regional stakeholders, for institutions within each of the eight Louisiana Regional Labor Market Areas and for institutions in proximity between contiguous regions. These plans must be submitted to the Board of Regents for consideration and include, at a minimum, potential efficiencies by unifying functions and processes, including, but not limited to, academic and technical offerings, identification of regional workforce and economic needs, student services, research, purchasing, food services, and security. In addition, the plans should examine the short-term and long-term costs and savings from such unification.

## **Response to Item 1.1: Centralization within the LCTCS**

Prior to the creation of the Louisiana Community and Technical College System (LCTCS) on July 1, 1999, forty-four vocational-technical campuses existed under the supervision of the Board of Elementary and Secondary Education (BESE), five community colleges managed by the University of Louisiana Board of Supervisors, and one community college jointly managed by the Louisiana State University and Southern University Boards of Supervisors. Consequently, this structure did not lend itself to much coordination among any of these campuses as each operated independently from one another, each with its own administrative function and delivery of instructional program offerings.

The creation of the LCTCS created a framework by which all vocational-technical campuses and most existing community colleges (less LSU-E and SU-S) in Louisiana were brought under the management of one board, the LCTCS Board of Supervisors.

# 1999



- Eight Regions
- Avg. of 5 Admin. positions per location
- Duplication of efforts



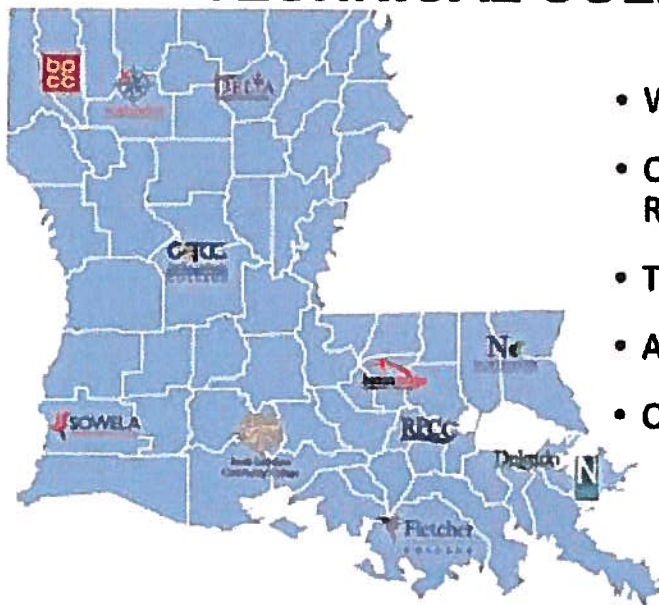
What became abundantly clear is that there existed differences in the levels and types of services provided at colleges given the various sizes of institutions and available resources. Action was needed to provide more services at a consistent quality level while still allowing the high performing institutions to innovate. As early as 2000, the LCTCS Board began exploring ways to provide centralized enterprise services.

- 2001, the Board established an internal audit department which took the place of various “compliance” officers located at some colleges thereby providing direct accountability to the board and not to colleges.
- 2002 to 2003, due to varying accounting and HR/Payroll operating systems at LCTCS colleges, the LCTCS launched the implementation of centralized systems for all LCTCS colleges, many of which did not have such systems needed for financial budgeting and reporting as required by the National Association of College and University Business Officers (NACUBO). All LCTCS colleges, except for Baton Rouge Community College (BRCC), Delgado Community College (Delgado) and Bossier Parish Community College (BPCC), migrated to this centralized system. The benefit of this action was realized in 2005 when Nunez Community College (Nunez) and SOWELA Technical Community College (SOWELA) were decimated by Hurricanes Katrina and Rita. The off-site, centralized system allowed these colleges to continue operations uninterrupted.

- 2003, two of the stronger technical campuses became technical community colleges- Fletcher Technical Community College (FTCC) and SOWELA.
- 2005, all forty-two technical college campuses were realigned into regional colleges collapsing the state central administration and the administrative offices of each campus into eight regional college operations. At this point, the LCTCS was comprised of seventeen separately accredited institutions including, eight regional technical colleges, seven community colleges, and two technical community colleges.
- 2009-2016, during this period, LCTCS colleges experienced a reduction in state funds of about \$80 million while more than doubling the tuition rate. This period represented a significant shift in the funding model for colleges that resulted in structural changes, enterprise services and efficiency efforts, and a range of college operational changes.
- 2010-2013 realignments
  - 2010, technical college campuses merged in the New Orleans region with Delgado
  - 2011, established the Northshore Technical Community College (NTCC) from former technical college campuses located in the Florida parishes region
  - 2012, merged campuses of Acadiana Technical College with South Louisiana Community College (SLCC); merged campuses of Northeast Louisiana Technical College with Louisiana Delta Community College (Delta); transitioned technical college campuses to Central Louisiana Technical Community College (CLTCC)
  - 2013, merged campuses of the Capital Area Technical College with BRCC
- 2010, Louisiana legislator gave responsibility to the LCTCS to administer adult basic education for the state of Louisiana.
- 2011-2013, centralized student and staff accounts: All LCTCS colleges and board office began migrating into one instance of the Ellucian Banner enterprise resource program:
  - Summer 2011—Accounting module
  - Summer 2012—Human Resources/Centralized Payroll
  - Summer 2013—Student Enrollment
  - The implementation of these modules provided an integrated database for all LCTCS colleges regarding all financial, human resources/payroll and student enrollment data. Students are easily able to cross enroll across colleges given that there is one student record created for each student with all credentials, courses and other student records held in one repository.
- 2012, LCTCS installed one Learning Management System (LMS) to serve its colleges.
- 2017, developed a surplus exchange system, where college staff can exchange equipment no longer being used, but may be useful to another college location.
- 2017, developed a student enrollment service center with multi-channel communications both in-bound and out-bound interface with students across our colleges. In addition, also developed common student admissions application that sits on top of the Banner system significantly reducing the hurdles for student admission and providing greater flexibility for enrolling students in non-credit and adult basic education programs.
- 2017-18, LCTCS Board realigned small rural campuses to ensure the future of the mission in those communities and to better serve the local workforce economy. These included:

- BRCC Westside Campus realigned with River Parishes Community College (RPCC)
- Northwest Louisiana Technical College (NWLTC) Natchitoches and Many campuses realigned with CLTCC
- CLTCC Oakdale campus realigned with SOWELA
- South Central Louisiana Technical College (SCLTC) Reserve Campus realigned with RPCC
- SCLTC Young Memorial Campus realigned with SLCC
- SCLTC Lafourche Campus realigned with FTCC
- Realignments result in the elimination of SCLTC effective June 30, 2018.

## LOUISIANA'S COMMUNITY & TECHNICAL COLLEGES

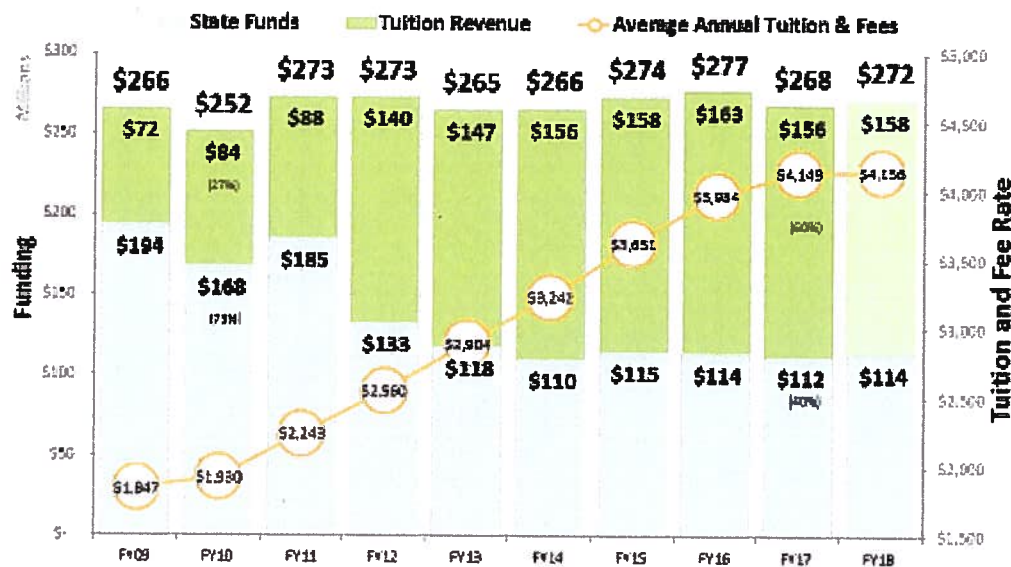


- Workforce Development
- College and Career Readiness
- Transfer
- Adult Education
- Open Admissions



As depicted in the map above, LCTCS will consist of twelve separately accredited colleges effective June 30, 2018. As depicted in the chart that follows, from 2005 to 2018, LCTCS colleges experienced the nation's largest disinvestments in public two-year education, the nation's largest increase in tuition among public two-year colleges, and merger/consolidation of five separate colleges.

# EVOLVING FINANCIAL MODEL



*Changing Lives, Creating Futures*  
www.lctcs.edu

Yet, through it all, our colleges have remained one of the nation's fastest growing in terms of students served and graduates. The two primary factors driving this success has been leadership and innovation. Leadership in the form of the Board of Supervisors that through all of the challenges has remained focused on ensuring the future of the two-year college mission for all of Louisiana. Secondly, the college leadership during this period has been stellar. Their ability to innovate and focus daily on delivering the mission has been a huge factor in the success. Since its creation, the LCTCS consistently strives to provide more efficient and effective operations of LCTCS colleges providing a value to our students, serving the workforce needs of our business partners, and providing a benefit to the tax payers of Louisiana. The efficiency and operational changes have yielded annual savings that are documented at over \$30 million. Those resources have been refocused into the classroom. LCTCS colleges have done a tremendous amount of work in building the comprehensive system of colleges that we have today. More importantly, the people of Louisiana are benefiting from the work of these colleges. The people of Louisiana are gaining education and skills that allow them to be gainfully employed or transfer to a university and pursue a bachelor degree. These students, upon graduation, are becoming taxpayers in the state, supporting our economy and helping our state work itself out of the difficult financial situation. However, policymakers need to be aware that LCTCS colleges have reached a point of

diminishing returns as it relates to efficiency efforts. Simply put, it is time for the State of Louisiana to invest in educating and skilling its people.

### **Response to Item 1.2: Cooperative Unification Plans**

The significant performance of the LCTCS colleges in the face of economic challenges presented in the section above, should make it clear that there is very little remaining in terms of consolidation and efficiency that will help the state deal with its financial woes. To the contrary, the state's current circumstance is more likely to be solved by increasing the number of people with a college education and skills putting more of Louisiana's people to work.

Section 5(A) of the Louisiana Constitution established the Board of Regents as the State's coordinating board for public postsecondary education. The development of unification plans within and across postsecondary education systems is without a doubt a management board function. Below are a sampling of on-going higher education wide or cross-system efforts:

- Under the leadership of the Board of Regents and with strong involvement from all systems of higher education, the LOUIS Network has been active in the development and delivery of Open Education Resources (OER's) that are already driving down the costs of attendance for our students. We strongly urge that this effort continue and expand.
- Under the leadership of the Board of Regents, we have worked to established more effective uses of the LEQSF Funds designated for two-year colleges. In fact, the Curt Eysink Memorial Workforce Endowed Scholarship was born out of these efforts. We strongly urge a continued effort to review the use of the LEQSF Fund in terms of the effectiveness of the expenditures in solving the most pressing challenges of the state of Louisiana and its people.
- Under the leadership of the Board of Regents and coordination with LOSFA, we have developed a more suitable plan of action for using the limited GO Grant dollars to focus on meeting the financial needs of adult students attending two-year colleges.
- In conjunction with the University of Louisiana System and its member colleges, we have developed some of the most effective transfer agreements including most notably the relationship between NTCC and Southeastern Louisiana University. In fact, this work has led to our colleges transferring over 15,000 students to universities in each of the last two years.
- In conjunction with both the LSU System and the Southern University System, we have developed comprehensive transfer agreements that provide guaranteed admission and scholarships to those students completing associate degrees with merit.
- A number of LCTCS colleges have institutional agreements with universities that allow students to access university services from dormitories to libraries and other facilities.
- LCTCS works closely with a number of institutions as we administer the federal Carl Perkins Act funds. Those institutions include Southern University-Shreveport, Louisiana

State University at Eunice, Louisiana State University at Alexandria, Nichols State University, Northwestern State University, and Louisiana Tech University.

- LCTCS also administers the Workforce Rapid Response Fund. This fund is administered on behalf of all LCTCS colleges and Louisiana State University at Eunice and Southern University-Shreveport.
- Member institutions BPCC and Louisiana Tech University have recently announced an effort to share space on the BPCC campus delivering undergraduate and graduate coursework to the Shreveport/Bossier market.
- Member institutions NTCC and Southeastern Louisiana University have shared space on the SLU- South Campus for several years.
- Several LCTCS colleges offer developmental education courses on university campuses assisting students in attending the institution of their choice. In particular, the relationship between Louisiana Delta and Grambling State University is an example for others to emulate.
- LCTCS colleges in the New Orleans region worked closely with other higher education institutions and economic development professionals as part of the effort to land DXC in New Orleans. The coordinated effort was the state's most significant economic development win in history.

These items are a few examples of the robust relationships that exist between LCTCS colleges and the Board of Regents, other systems, and institutions across the higher education landscape in Louisiana. There are still areas where we believe we can improve the level of services to our students and further our collective efforts to improve the attainment rate of Louisiana's population. Those include the following:

- Continued work on transfer is critical. While great strides have been made within the past decade with regards to removing obstacles that prevent students from transferring between postsecondary institutions, more work is needed. Making transfer easier allows students in communities all across Louisiana the ability to start at a less expensive two-year institution with the assurance that they will be able to transfer seamlessly to a four-year institution to pursue a bachelor's degree. Specifically, LCTCS believes that the following initiatives hold promise:
  - (1) A statewide transcript sharing system in which students "opt out" upon application to a college/university. With a default "opt in," students with prior postsecondary experience could have their transcripts sent to the institution they are transferring to without having to contact their previous institution to request it. Making this an automatic process through the Board of Regents' Statewide Student Profile System would speed the delivery of the transcript data and would allow the data to be immediately imported into the institution's student information system, reducing the need for manual entry by college staff members.

(2) Common course numbering would allow for faster articulation of course credits from one institution to another. The majority of this work has already been accomplished through the Board of Regents Articulation Matrix. Moving to common course numbering, in combination with the statewide transcript sharing system outlined above, would allow for the automation of articulating credits within student information systems.

- As we consider the notion of consolidation and efficiencies, we strongly suggest that the lens within which we view these efforts not be limited to higher education. A number of states across the country place their higher education institutions at the center of providing services to state agencies thereby relieving significant state agency costs. As such, LCTCS has developed infrastructure to offer services to other state agencies and organizations in the form of payroll services, procurement services, contracting services, internal audit services, etc. However, it should be noted that while these services are currently operational for LCTCS colleges, there will most certainly be costs for infrastructure to expand to serve other agencies or organizations.
- LCTCS is currently developing a plan of action around an improved risk management insurance structure that will reduce costs to our colleges and likely improve the level of coverage.
- The costs of retirement premiums saddled on higher education institutions is far beyond the direct costs of current and legacy employees. It is beyond time that these costs be removed from the higher education institutions.

LCTCS has conducted analyses of many of the other proposed shared services and found little if any value in pursuing these areas. With regards to the other efficiencies identified by the Board of Regents (student services, research, purchasing, food services, and security), LCTCS does not feel any of these areas hold real promise for effective or efficient unification. Because Louisiana's public postsecondary institutions do not share a single student information system, unifying student services would be a challenge.

## Appendix: Chapter 2.

Attachment 2.1.1	SB 226 of the 2017 Regular Session
Attachment 2.1.2	Act 355 of the 2017 Regular Session
Attachment 2.3.1	Act 293 of the 2017 Regular Session

SLS 17RS-457

ORIGINAL

2017 Regular Session

SENATE BILL NO. 226

BY SENATOR HEWITT

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

FUNDS/FUNDING. Eliminates certain statutory dedications and eliminates certain dedications of certain funds. (7/1/17)

1

AN ACT

2

To amend and reenact R.S. 3:2(C), 4321(B), 4411(A), and 4423(3), R.S. 13:5073(A)(1),

3

R.S. 17:407.27(B)(3), 3046.3(C), 4019(C), and 5068(D)(3), the introductory

4

paragraph of R.S. 22:347(A), 835(B), and 1476(A)(2), R.S. 23:1514(D)(5), R.S.

5

27:27.1(F), 92(B)(2), 249(A), 270(A)(2) and (3)(a), 392(B)(2)(a), and 437(B)(1),

6

R.S. 33:9551(E)(3), 9561(E)(3), and 9571(E)(3), R.S. 39:82(A), 100.61(B)(1), 352,

7

and 467(G), R.S. 40:1582(E), 1593, and 2845(A)(6)(b), R.S. 42:262(B), R.S.

8

46:977.13, R.S. 47:1061(A)(4) and 9029(B), R.S. 51:1927.1, 2211(A), 2332(3),

9

2341(F), 2361, the introductory paragraph of 2362(A), 2363, 2365, 2365.1(B) and

10

(C), and 2366, and Section 4(B) of Act No. 421 of the 2013 Regular Session of the

11

Legislature, and to repeal R.S. 3:4321(C) and (D), and 4411(B) and (C), R.S. 11:544,

12

R.S. 15:147(B)(14), 167, 185.5, and 572.8(N), R.S. 17:354, 421.7, 1874, 3129.6,

13

3138.2, 3138.3, 3138.4, Subpart A-2 of Part X of Chapter 26 of Title 17 of the

14

Louisiana Revised Statutes of 1950, comprised of R.S. 17:3397.7, and Part VI of

15

Chapter 42 of Title 17 of the Louisiana Revised Statutes of 1950, comprised of R.S.

16

17:4001, R.S. 22:347(A)(1), (2), and (3), 437(A) through (E), 831(B), 835(C), (D),

17

and (F), 1071(D)(3)(b) and (c), and 2134, R.S. 24:39, 1291.1(E), and 1515, R.S.

1 27:92(C), 392(B)(2)(b) through (C), 437(B)(2) and (C), and 439, R.S. 28:826 and  
2 842, R.S. 30:136.3, 2205, and 2480.2, Subpart A of Part II-A of Chapter 1 of Subtitle  
3 I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:91,  
4 R.S. 39:97.3, 98.7, Subpart G of Part II of Chapter 1 of Subtitle I of Title 39 of the  
5 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.1, Subpart H of Part  
6 II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950,  
7 comprised of R.S. 39:100.11, Subpart I of Part II of Chapter 1 of Subtitle I of Title  
8 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.21, Subpart  
9 J of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of  
10 1950, comprised of R.S. 39:100.26, Subpart K of Part II of Chapter 1 of Subtitle I  
11 of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.31,  
12 Subpart M of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised  
13 Statutes of 1950, comprised of R.S. 39:100.41, Subpart N of Part II of Chapter 1 of  
14 Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S.  
15 39:100.51, Subpart P-1 of Part II of Chapter 1 of Subtitle I of Title 39 of the  
16 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.81, Subpart Q-1 of  
17 Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of  
18 1950, comprised of R.S. 39:100.122, Subpart Q-2 of Part II of Chapter 1 of Subtitle  
19 I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S.  
20 39:100.123, Subpart R of Part II of Chapter 1 of Subtitle I of Title 39 of the  
21 Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.126, Subpart R-1 of  
22 Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of  
23 1950, comprised of R.S. 39:100.136, Subpart S of Part II of Chapter 1 of Subtitle I  
24 of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.146,  
25 467(G), and 1357, R.S. 40:16.2, 1402, 1428(A)(4) and (C), 1547, and 2845(D)(2)  
26 and (3) and (E), R.S. 46:114.4, 440.1, Chapter 57 of Title 46 of the Louisiana  
27 Revised Statutes of 1950, comprised of R.S. 47:2731, and 2901, R.S. 47:301.1(F),  
28 302.2 through 302.55, 318, 322.1 through 322.43, 322.45 through 322.48, 332.1  
29 through 332.15, 332.16 through 332.49, 332.51 through 332.54, 841(G), 841.1,

841.2, 1061(B), 1520(A)(1)(e), 1602.1, and 6351(G)(3) and (4), R.S. 49:214.6.7(D) and (E) and 259, R.S. 51:2212(3), 2213, 2315, and 2365.1(D), and Code of Criminal Procedure Article 926.1(K), Section 7 of Act No. 420 of the 2013 Regular Session of the Legislature, Section 9 of Act No. 138 of the 2005 Regular Session of the Legislature, and Section 3 of Act No. 1065 of the 1997 Regular Session of the Legislature, relative to special treasury funds; to provide for the elimination of certain special treasury funds; to eliminate certain dedications into certain special treasury funds; to eliminate certain required expenditures from special treasury funds; to repeal certain funds; to repeal certain sales and use tax dedications; to authorize the transfer of balances between funds; to provide for deposit of monies into the state general fund; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 3:2(C), 4321(B), 4411(A), and 4423(3) are hereby amended and reenacted to read as follows:

§2. Creation, powers, and duties of Department of Agriculture and Forestry and the commissioner of agriculture and forestry

\* \* \*

C. All funds derived from the sale of timber on state lands under this Section shall be deposited in the state treasury for deposit into the state general fund. ~~Monies derived from the sale of timber on state lands in the custody of the Louisiana Department of Health shall be deposited into the Louisiana Department of Health's Facility Support Fund as provided in R.S. 40:16.2.~~ The legislature shall annually appropriate to the Department of Agriculture and Forestry the costs incurred by that department under the provisions of this Section.

\* \* \*

§4321. Forest protection assessment

\* \* \*

B. The assessment shall be entered on the tax rolls by the assessor and shall be paid by the owner of such timberland to the sheriff and ex officio tax collector of

1 the parish in which the timberland is located in the same manner as parish ad  
2 valorem taxes and, when collected, shall be remitted to the state treasurer ~~to be used~~  
3 ~~solely as provided in this Part~~ for deposit into the state general fund.

4 \* \* \*

5 §4411. Forestry Productivity Fund; disposition of funds

6 A. Funds equal to seventy-five percent of that portion of the severance tax  
7 on timber allocated to the state by Article VII, Section 4(D) of the Constitution of  
8 Louisiana shall be deposited immediately upon receipt into the state treasury for  
9 deposit into the state general fund.

10 \* \* \*

11 §4423. Definitions

12 As used in this Part, the following terms shall have the meanings ascribed  
13 below:

14 \* \* \*

15 (3) "Incentives" means any tax exemption, tax credit, tax exclusion, tax  
16 deduction, rebate, investment, contract, or grant made available by the state to  
17 directly support the purchase of forestry products. "Incentives" shall not mean any  
18 such benefit available under statutorily provided programs including Louisiana  
19 Quality Jobs Program Act (R.S. 51:2451, et seq.), Louisiana Enterprise Zone Act  
20 (R.S. 51:1781, et seq.), Industry Assistance (R.S. 47:4301, et seq.), Industrial Tax  
21 Exemption (La. Const. Art. VII, Sec. 21(F), Economic Development Award Program  
22 (R.S. 51:2341), Economic Development Loan Program (R.S. 51:2312), and  
23 Industrial Tax Equalization Program (R.S. 47:3201, et seq.), ~~Rapid Response Fund~~  
24 ~~(R.S. 51:2361), and Mega-Project Development Fund (R.S. 51:2365).~~

25 Section 2. R.S. 13:5073(A)(1) is hereby amended and reenacted to read as follows:

26 §5073. Certifications; directory; tax stamps

27 A.(1) Every tobacco product manufacturer whose cigarettes are sold in this  
28 state, whether directly or through a distributor, retailer, or similar intermediary or  
29 intermediaries, shall execute and deliver on a form prescribed by the attorney general

1 a certification to the secretary and attorney general, no later than the thirtieth day of  
2 April each year, certifying under penalty of perjury that, as of the date of such  
3 certification, such tobacco product manufacturer either: is a participating  
4 manufacturer; or is in full compliance with R.S. 13:5061 et seq., including all  
5 installment payments required by R.S. 13:5075(J). For the initial certification  
6 submitted no later than the thirtieth of April each year, a manufacturer shall pay to  
7 the attorney general a fee of five hundred dollars. The fees generated pursuant to this  
8 Section shall be deposited in the ~~Tobacco Settlement Enforcement Fund~~ state  
9 general fund and used solely and exclusively for purposes of enforcement of the  
10 Master Settlement Agreement, pursuant to R.S. 39:98.7.

11 \* \* \*

12 Section 3. R.S. 17:407.27(B)(3), 3046.3(C), 4019(C), and 5068(D)(3) are hereby  
13 amended and reenacted to read as follows:

14 §407.27. The Cecil J. Picard LA 4 Early Childhood Program; early childhood  
15 development and enrichment activity classes; financial assistance

16 \* \* \*

17 B.

18 \* \* \*

19 (3) As provided in this Subsection, when a participating school district  
20 receives privately funded scholarship funds pursuant to this Subsection, the annual  
21 appropriation of state funds for the Cecil J. Picard LA 4 Early Childhood Program  
22 shall be reduced by the amount of the private scholarship program funds so received.  
23 The commissioner of administration shall determine and specify the amount of the  
24 reduction from the source of the funds to provide the maximum benefit to the state  
25 from the privately funded scholarship program. The state treasurer shall deposit the  
26 amount of the reduction as specified by the commissioner of administration into the  
27 ~~Overcollections Fund created in R. S. 39:100.21 and credit the deposit to an account~~  
28 ~~within the fund hereby established and created to be known as the "Program~~  
29 ~~Participation Savings Account"~~ state general fund.

1                                   \*       \*       \*

2           §3046.3. Private scholarships

3                                   \*       \*       \*

4                   C. As provided in this Section, when an eligible college or university  
5 receives privately funded scholarship funds on behalf of a student, the state funds for  
6 the Louisiana GO Grant program shall be reduced by the amount of the private  
7 scholarship program funds so received. The commissioner of administration shall  
8 determine and specify the amount of the reduction from the source of the funds to  
9 provide the maximum benefit to the state from the privately funded scholarship  
10 program. The state treasurer shall deposit the amount of the reduction as specified  
11 by the commissioner of administration into the ~~Overcollections Fund created in R-~~  
12 ~~S. 39:100.21 and credit the deposit to an account within the fund hereby established~~  
13 ~~and created to be known as the "Program Participation Savings Account"~~ state  
14 general fund.

15                                   \*       \*       \*

16           §4019. Private scholarships

17                                   \*       \*       \*

18                   C. As provided in this Section, when a participating school receives privately  
19 funded scholarship funds on behalf of a student pursuant to this Section, the annual  
20 appropriation of state funds for the program shall be reduced by the amount of such  
21 private scholarship program funds so received. The commissioner of administration  
22 shall determine and specify the amount of the reduction from the source of the funds  
23 to provide the maximum benefit to the state from the privately funded scholarship  
24 program. The state treasurer shall deposit the amount of such reduction as specified  
25 by the commissioner of administration into the ~~Overcollections Fund created in R-S-~~  
26 ~~39:100.21 and credit such deposit to an account within the fund hereby established~~  
27 ~~and created to be known as the "Program Participation Savings Account"~~ state  
28 general fund.

29                                   \*       \*       \*

1           §5068. Miscellaneous

2                                   \*       \*       \*

3           D.

4                                   \*       \*       \*

5                   (3) As provided in this Subsection, if an eligible college or university  
6 receives privately funded scholarship funds on behalf of a student, the state funds for  
7 the Taylor Opportunity Program for Students shall be reduced by the amount of the  
8 private scholarship program funds so received. A reduction shall not affect the  
9 estimated nature of the Taylor Opportunity Program for Students appropriation as  
10 provided in the Act or Acts that contain such appropriations. The commissioner of  
11 administration shall determine and specify the amount of the reduction from the  
12 source of the funds to provide the maximum benefit to the state from the privately  
13 funded scholarship program. The state treasurer shall deposit the amount of such  
14 reduction as specified by the commissioner of administration into the  
15 ~~Overcollections Fund created in R.S. 39:100.21 and credit the deposit to an account~~  
16 ~~within the fund hereby established and created to be known as the "Program~~  
17 ~~Participation Savings Account"~~ state general fund.

18                                   \*       \*       \*

19           Section 4. The introductory paragraph of R.S. 22:347(A), 835(B), and 1476(A)(2)  
20 are hereby amended and reenacted to read as follows:

21           §347. Disposition of tax money

22                   A. Monies collected under R.S. 22:342 through 349, after being first credited  
23 to the Bond Security and Redemption Fund in accordance with Article VII, Section  
24 9(B) of the Constitution of Louisiana, shall be credited to ~~a special fund hereby~~  
25 ~~established in the state treasury and known as the "Two Percent Fire Insurance Fund"~~  
26 ~~hereinafter the "fund". Monies in the fund shall be available in amounts appropriated~~  
27 ~~annually by the legislature for the following purposes in the following order of~~  
28 ~~priority:~~ the state general fund.

29                                   \*       \*       \*

1           §835. Fire marshal tax; ~~Louisiana Fire Marshal Fund~~

2                                   \*       \*       \*

3                   B. All funds received by the commissioner of insurance pursuant to  
4                   Subsection A of this Section shall be deposited immediately upon receipt into the  
5                   state treasury for deposit into the state general fund.

6                                   \*       \*       \*

7           §1476. Assessments against insurers; dedications

8                   A.

9                                   \*       \*       \*

10                   (2) An amount equal to two and one-fourth hundredths of one percent of the  
11                   gross direct premiums received in this state, in the preceding year; two and thirty-  
12                   seven hundredths of one percent of the direct gross premiums received in this state,  
13                   in the year 2001; and two and one-half hundredths of one percent of the direct gross  
14                   premiums received in the state, in the year 2003 and every year thereafter by insurers  
15                   doing business in this state and subject to this Subpart, less returned premiums shall  
16                   be deposited by the commissioner of insurance with the state treasurer to be credited  
17                   to a ~~special fund created in the state treasury entitled the Municipal Fire and Police~~  
18                   ~~Civil Service Operating Fund, hereinafter known as the "fund". Subject to an annual~~  
19                   ~~appropriation by the legislature pursuant to the provisions of R.S. 33:2480 and 2540,~~  
20                   ~~monies in the fund shall be used solely to support the operations of the office of state~~  
21                   ~~examiner, Municipal Fire and Police Civil Service. Monies in the fund shall be~~  
22                   ~~invested by the treasurer in the same manner as monies in the state general fund and~~  
23                   ~~interest earned on investment of these monies shall be credited to the state general~~  
24                   ~~fund. All unexpended and unencumbered monies in the fund at the end of the fiscal~~  
25                   ~~year shall revert to the state general fund.~~

26                                   \*       \*       \*

27           Section 5. R.S. 23:1514(D)(5) is hereby amended and reenacted to read as follows:  
28           §1514. Worker training fund; purpose; training programs; eligibility criteria;  
29                                   program administration

29 \* \* \*

(2) After complying with the provisions of Paragraph (1) of this Subsection, the state treasurer shall, each fiscal year, credit the following amounts to the following funds:

~~(a)(i) One percent, not to exceed five hundred thousand dollars, to the Compulsive and Problem Gaming Fund established by R.S. 28:842.~~

(ii) The amounts of winnings withheld and remitted in accordance with R.S. 27:85(B)(2), which shall be deposited into the ~~Compulsive and Problem Gaming Fund provided for in R.S. 28:842~~ state general fund.

~~(b)(i) Except as provided in Item (ii) of this Subparagraph, the~~ The franchise fee paid pursuant to R.S. 27:91(C)(1) to the state general fund.

~~(ii) Nine percent of the franchise fee paid pursuant to R.S. 27:91(C)(1) which is attributable to any riverboat gaming licensee which pays additional franchise fees pursuant to the provisions of R.S. 27:91(C)(2) through (4) to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7.~~

~~(iii)(ii)~~ (ii) Nine percent of the license fee paid pursuant to R.S. 27:91(B)(2) which is attributable to any riverboat gaming licensee which pays additional franchise fees pursuant to the provisions of R.S. 27:91(C)(2) through (4) to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7 state general fund.

~~(iv)(iii)~~ (iii) The franchise fees paid pursuant to R.S. 27:91(C)(2) through (4) to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7 state general fund.

~~(c) To a special fund, which is hereby created in the state treasury and entitled the Riverboat Gaming Enforcement Fund~~ the state general fund, an amount equal to the revenues received by the state pursuant to this Chapter, less any monies credited to other funds pursuant to the provisions of Subparagraphs (a) and (b) of this Paragraph.

\* \* \*

§249. Compulsive gambling; posting information

1           A. The corporation shall include the cost of the transfer of its monies to the  
2           state treasurer for deposit into the ~~Compulsive and Problem Gaming Fund as~~  
3           ~~required by R.S. 27:270(A)(2)~~ state general fund as a budgeted item and expense  
4           of the corporation.

5   \*       \*       \*

6           §270. Deposit of revenues; expenditures and investments authorized; transfer of  
7   revenues to state treasury; corporation operating account; audit of  
8   corporation books and records; audits

9           A.

10   \*       \*       \*

11                                   (2)(a) Quarterly, the corporation shall transfer to the state treasury one  
12                                   percent of its operating account, not to exceed five hundred thousand dollars per  
13                                   fiscal year. These monies shall first be credited to the Bond Security and Redemption  
14                                   Fund in accordance with Article VII, Section 9(B) of the Constitution of Louisiana.  
15                                   Thereafter, the state treasurer shall deposit the monies into the ~~Compulsive and~~  
16                                   ~~Problem Gaming Fund established by R.S. 28:842~~ state general fund.

17                                   (b) Quarterly, the corporation shall transfer to the state treasury for deposit  
18                                   into the ~~Compulsive and Problem Gaming Fund provided for in R.S. 28:842~~ state  
19                                   general fund the amount of revenues withheld and remitted in accordance with R.S.  
20                                   27:260(D).

21                                   (3)(a) Daily, the corporation shall transfer to the state treasury for deposit  
22                                   into certain funds in the treasury, as provided in this Paragraph, the amount of net  
23                                   revenues which the corporation determines are surplus to its needs. After first being  
24                                   credited to the Bond Security and Redemption Fund in accordance with Article VII,  
25                                   Section 9(B) of the Constitution of Louisiana, and after satisfying any other  
26                                   requirements of the Constitution and laws of Louisiana, such net revenues shall be  
27                                   deposited as follows:

28                                   (I) In each year for which the Joint Legislative Committee on the Budget  
29                                   disapproves or does not act upon the amount of the casino support services contract

as provided in R.S. 27:247 ~~and~~ no monies are deposited in and credited to the Casino Support Services Fund;

(aa) ~~Ten percent shall be deposited in and credited to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7 and shall be used solely and exclusively for the same purposes provided for in Paragraph (B)(1) of that Section.~~

(bb) ~~Ninety percent shall be deposited in and credited to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7.~~

(ii) In each year for which the Joint Legislative Committee on the Budget approves the amount of the casino support services contract as provided in R.S. 27:247;

(aa) ~~The first one million eight hundred thousand dollars shall be deposited in and credited to the Casino Support Services Fund.~~

(bb) ~~The next sixty million dollars shall be deposited in and credited to the Support Education in Louisiana First Fund as provided in R.S. 17:421.7.~~

(cc) ~~After satisfying the requirements of Subitems (aa) and (bb) of this Item,~~ monies shall be deposited into the Casino Support Services Fund until the casino support services contract is fully funded for that year.

(dd) ~~After satisfying the requirements of Subitem (cc) of this Item, the remainder of the monies shall be deposited in and credited to the Support Education in Louisiana First Fund as provided for in R.S. 17:421.7.~~

\* \* \*

#### §392. Collection and disposition of fees and taxes

\* \* \*

##### B.

\* \* \*

(2)(a) After complying with the provisions of Paragraph (1) of this Subsection, the state treasurer shall, each fiscal year, credit ~~one percent from the combined net slot machine proceeds collected by the state from each licensed facility, not to exceed five hundred thousand dollars, to the Compulsive and Problem~~

\* \* \*

\* \* \*

\* \* \*



1 transferred to the state shall be deposited in the Bossier Educational Excellence  
2 Fund.

3 \* \* \*

4 §9571. Calcasieu Parish Pari-mutuel Live Racing Economic Redevelopment and  
5 Gaming Control Assistance District

6 \* \* \*

7 E. Tax.

8 \* \* \*

9 (3) The district is specifically authorized to transfer to the state such amounts  
10 as are necessary to address the policies established by this Chapter and Chapter 7 of  
11 Title 27 of the Louisiana Revised Statutes of 1950. ~~Specifically, the~~ The district shall  
12 transfer ~~one-fourth~~ of the net proceeds of such tax to the state, and the state treasurer  
13 is directed to deposit any such amount received ~~in the Pari-mutuel Live Racing~~  
14 ~~Facility Gaming Control Fund to be administered and expended as provided in R.S.~~  
15 ~~27:392(B)(1) and (2); and the district shall transfer three-fourths of the net proceeds~~  
16 ~~of such tax to the state, and the state treasurer is directed to deposit any such amount~~  
17 ~~into the state general fund. However, five percent of the total proceeds transferred~~  
18 ~~to the state shall be deposited in the Calcasieu Parish Excellence Fund created by~~  
19 ~~R.S. 27:392(B)(3)(c).~~

20 \* \* \*

21 Section 8. R.S. 39:82(A), 100.61(B)(1), 352, and 467(G) are hereby amended and  
22 reenacted to read as follows:

23 §82. Remission of cash balances to the state treasurer; authorized withdrawals of  
24 state monies after the close of the fiscal year; reports

25 A. All cash balances occurring from appropriations made by legislative act  
26 or by the Interim Emergency Board regardless of date of passage to any state agency  
27 for which no bona fide liability exists on the last day of each fiscal year shall be  
28 remitted to the state treasurer by the fifteenth day following the last day of the fiscal  
29 year. Any appropriations including those made by the Interim Emergency Board of

the preceding fiscal year remaining at the end of the fiscal year against which bona fide liabilities existed as of the last day of the fiscal year may be withdrawn from the state treasury during the forty-five day period after the last day of the fiscal year only as such liabilities come due for payment. Prior to placing monies associated with such unexpended appropriations into the state general fund, the state treasurer shall transfer all cash balances identified and reported by the commissioner of administration as being from unexpended and unencumbered state general fund (direct) and Overcollections Fund appropriations for professional, personal, and consulting service contracts not approved by the Joint Legislative Committee on the Budget as provided in R.S. 39:1590 and remaining at the end of each fiscal year for deposit in and credit to the Higher Education Financing Fund as are necessary to satisfy the requirements of R.S. 39:100.146, and then shall make deposits to the Payments Towards the UAL Fund as are necessary to satisfy the requirements of R.S. 39:100.11.

\* \* \*

#### §100.61. New Opportunities Waiver Fund

\* \* \*

B.(1) The source of monies in the fund shall be as follows: in accordance with the provisions of R.S. 47:120.171.

(a) In any fiscal year, the state treasurer is directed to deposit twelve percent of all recurring state general fund revenue, not to exceed fifty million dollars in any fiscal year, as recognized by the Revenue Estimating Conference in excess of the Official Forecast at the beginning of the current fiscal year into the New Opportunities Waiver Fund, and monies in the fund from this Subparagraph shall be used for appropriation in the ensuing fiscal year.

(b) Monies designated for the fund and received by the state treasurer from donations, gifts, grants, appropriations, or other revenue.

\* \* \*

#### §352. Cancellation of unexpended portions of appropriations; exceptions

1 Whenever any specific appropriation is made to meet any item of expenditure  
2 which occurs annually by provision of law or for contingent expense, and any  
3 portion of it remains unexpended at the end of the year for which the specific  
4 appropriation was made, after all legal claims against it for the year have been paid,  
5 the commissioner of administration shall cancel any balance of the appropriation,  
6 and each succeeding year he shall open a new account for the appropriation which  
7 may be made for that particular year, without carrying forward any unexpended  
8 balance of appropriation made for any previous year. This provision shall not apply  
9 to appropriations made to pay the debt of the state, principal and interest. Prior to  
10 placing monies associated with such unexpended appropriations into the state general  
11 fund, the state treasurer shall transfer all cash balances identified and reported by the  
12 commissioner of administration as being from unexpended and unencumbered state  
13 general fund (direct) and Overcollections Fund appropriations for professional,  
14 personal, and consulting service contracts not approved by the Joint Legislative  
15 Committee on the Budget as provided in R.S. 39:1590 remaining at the end of each  
16 fiscal year for deposit in and credit to the ~~Higher Education Financing Fund as is~~  
17 ~~necessary to satisfy the requirements of R.S. 39:100.146 and then shall make~~  
18 ~~deposits to the Payments Towards the UAL Fund as are necessary to satisfy the~~  
19 ~~requirements of R.S. 39:100.11~~ state general fund.

20 \* \* \*

21 §467. Sales of services and tangible personal property at a publicly owned domed  
22 stadium facility or baseball facility; sales and use tax; exemptions

23 \* \* \*

24 G. Notwithstanding any provision of law to the contrary, for purposes of state  
25 and local sales and use taxes, the exemptions provided in Subsection B of this  
26 Section shall apply to sales for or at a regularly scheduled major annual sporting  
27 event when the income taxes attributable to the nonresident professional athletes  
28 participating in the event are ~~dedicated to the Sports Facility Assistance Fund in~~  
29 ~~accordance with the provisions of R.S. 39:100.1~~ deposited into the state general

\* \* \*

§1582. Emergency elevator access; master key; substitute emergency measures;  
enforcement; penalty; rulemaking authority

\* \* \*

\* \* \*

The state fire marshal is authorized to negotiate for and to purchase, ~~out of funds available for such purpose in the Two Percent Fire Insurance Fund provided for in R.S. 22:347(A)~~, a group insurance policy to provide medical benefits, death benefits, and burial benefits for volunteer firefighters of the state suffering injury or death while engaged in the scope of their duties as volunteer firefighters. Such policy shall cover all bona fide volunteers starting the day upon which their membership begins without any prior certification to the state fire marshal's office or to the insurer. The state fire marshal shall deliver to each volunteer unit a printed notice concerning the policy requirements as to written notice of claim and written proof of loss including the period in which such must be filed. The volunteer unit shall post such notice in a conspicuous place at its facilities.

\* \* \*

A. The board shall:

\* \* \*

1 (6) Establish and maintain a statewide trauma registry to collect and analyze  
2 data on the incidence, severity, and causes of trauma, including traumatic brain  
3 injury. The registry shall be used to improve the availability and delivery of pre-  
4 hospital or out-of-hospital care and hospital trauma care services.

5 \* \* \*

6 (b) Required reporting to the state trauma registry is contingent on LERN  
7 providing adequate financial support ~~through the Louisiana Emergency Response~~  
8 ~~Network Fund~~ to cover administrative costs.

9 \* \* \*

10 Section 10. R.S. 42:262(B) is hereby amended and reenacted to read as follows:

11 §262. Special attorney or counsel

12 \* \* \*

13 B. Any recovery or award of attorney fees, including settlement, in litigation  
14 involving the attorney general or any state agency, board, or commission, not  
15 including any public postsecondary education institution, belongs to the state and  
16 shall be deposited into the state treasury into the ~~Department of Justice Legal~~  
17 ~~Support Fund in accordance with R.S. 49:259~~ state general fund. No payment of  
18 attorney fees shall be made out of state funds in the absence of express statutory  
19 authority, including R.S. 17:100.10, R.S. 23:1669, R.S. 37:2153, R.S. 41:724 and  
20 922, R.S. 42:1157.3, R.S. 46:15, R.S. 47:1512, 1515.3, 1516, 1516.1, and 1676,  
21 except such payment of attorney fees as may be approved by the Joint Legislative  
22 Committee on the Budget during the interim between legislative sessions.

23 \* \* \*

24 Section 11. R.S. 46:977.13 is hereby amended and reenacted to read as follows:

25 §977.13. Louisiana Children and Youth Health Insurance Program premium  
26 monies; ~~Health Care Redesign Fund~~

27 Monies received by the state as a result of premiums paid for coverage  
28 through the program shall be ~~credited to the Health Care Redesign Fund~~ deposited  
29 into the state general fund.

1 Section 12. R.S. 47:1061(A)(4) and 9029(B) are hereby amended and reenacted to  
2 read as follows:

3 PART III. TELECOMMUNICATION TAX

4 §1061. Telecommunication tax for the deaf

5 A.

6 \* \* \*

7 (4) The revenues so collected shall be remitted by the secretary immediately  
8 upon receipt to the treasurer and the treasurer shall credit the full amount of such  
9 taxes to the Bond Security and Redemption Fund and then deposit the amount into  
10 the state general fund. ~~After a sufficient amount is allocated from that fund to pay~~  
11 ~~all obligations secured by the full faith and credit of the state which become due and~~  
12 ~~payable within any fiscal year, the treasurer shall pay the remainder of such funds~~  
13 ~~into a special fund which is hereby created within the state treasury and designated~~  
14 ~~as the "Telecommunications for the Deaf Fund".~~

15 \* \* \*

16 §9029. Deposit of revenues; expenditures and investments authorized; transfer of  
17 revenues to state treasury; dedication and use of proceeds;  
18 corporation operating account; audit of corporation books and  
19 records; audits

20 \* \* \*

21 B.~~(1)~~ A Louisiana Lottery Proceeds Fund is hereby established in the state  
22 treasury. Net lottery proceeds shall be credited to this fund as provided in Subsection  
23 A of this Section. Monies credited to the Louisiana Lottery Proceeds Fund shall be  
24 invested by the state in accordance with state investment practices and all earnings  
25 from such investments shall accrue to this account. ~~Except as provided in Paragraph~~  
26 ~~(2) of this Subsection, no~~ No monies shall be allotted or expended from this account  
27 unless pursuant to an appropriation by the legislature in accordance with law.

28 ~~(2) The state treasurer is authorized and directed to transfer annually an~~  
29 ~~amount equaling five hundred thousand dollars from the Lottery Proceeds Fund to~~

1           ~~the Compulsive and Problem Gaming Fund established by R.S. 28:842.~~

2   \*       \*       \*

3           Section 13. R.S. 51:1927.1, 2211(A), 2332(3), 2341(F), 2361, the introductory  
4 paragraph of 2362(A), 2363, 2365, 2365.1(B) and (C), and 2366 are hereby amended and  
5 reenacted to read as follows:

6           §1927.1. Annual audit; annual rate of return; appreciation excess; ~~remittance to~~  
7   **Louisiana Economic Development Fund**

8           A. Following a decertification of a pool that was certified on or after  
9 January 1, 1999, and for which insurance premium tax credits were granted, an  
10 independent certified public accountant shall perform a review of all distributions  
11 other than tax distributions and management fees from such pool to the equity  
12 holders of the pool to determine if such distributions produce an annual internal rate  
13 of return to the equity holders of the pool of at least fifteen percent calculated on the  
14 original amount of certified capital contributed to such pool as well as any additional  
15 capital contributed to such pool. Within thirty days following the issuance of the  
16 accountant's report, the certified capital company shall remit to the ~~Louisiana~~  
17 ~~Economic Development Fund~~ **state general fund** twenty-five percent of all  
18 distributions in excess of the amount required to produce an annual internal rate of  
19 return of fifteen percent until the ~~Louisiana Economic Development Fund~~ **state**  
20 **general fund** shall have received an amount equal to the amount of tax credits  
21 granted for the pool. Thereafter, the certified capital company shall remit to the  
22 ~~Louisiana Economic Development Fund~~ **state general fund** five percent of such  
23 excess distributions.

24           B. Following a decertification of a pool that was certified on or after  
25 January 1, 2002, and for which income tax credits or insurance premium tax credits  
26 were granted, an independent certified public accountant shall annually perform a  
27 review of all distributions, other than tax distributions and management fees, from  
28 such pool to the equity holders of the pool to determine if such distributions produce  
29 a rate of return to the equity holders of the pool of at least ten percent calculated on

1 the original amount of certified capital contributed to such pool as well as any  
2 additional capital contributed to such pool. Within thirty days following the issuance  
3 of the accountant's annual report, the certified capital company shall remit twenty-  
4 five percent of all distributions in excess of the amount required to produce a rate of  
5 return of ten percent to the ~~Louisiana Economic Development Fund~~ **state general**  
6 **fund**.

7 C. The calculation of internal rate of return shall include all cash  
8 distributions to equity investors out of the certified capital company's investment  
9 pool, except for tax distributions and management fees. Management fees shall not  
10 exceed two and one-half percent per annum of the total certified capital of the pool  
11 without the prior approval of the secretary. Notwithstanding any other provisions in  
12 this Chapter to the contrary, for all certified capital pools formed after December 31,  
13 2001, if a certified Louisiana capital company does not place (1) forty percent of the  
14 investment pool in qualified investments within three years after the investment date,  
15 (2) sixty percent of the investment pool in qualified investments within five years of  
16 the investment date, and (3) upon the certified Louisiana capital company's option  
17 either (a) one hundred percent of the investment pool in qualified investments within  
18 seven years of the investment date or (b) one hundred and ten percent of the  
19 investment pool in qualified investments within eight years of the investment date,  
20 then following a decertification pursuant to R.S. 51:1928(B)(3), such company shall  
21 remit to the ~~Louisiana Economic Development Fund~~ **state general fund** twenty-five  
22 percent of all distributions, other than tax distributions and management fees, until  
23 the ~~Louisiana Economic Development Fund~~ **state general fund** shall have received  
24 one hundred percent of the tax credits granted for such pool and thereafter the  
25 company shall remit ten percent of all distributions, other than tax distributions and  
26 management fees to the ~~Louisiana Economic Development Fund~~ **state general fund**.  
27 If a certified Louisiana capital company has not decertified an investment pool  
28 formed after December 31, 2001, pursuant to R.S. 51:1928(B)(3) within ten years  
29 from the investment date, such company shall remit to the ~~Louisiana Economic~~

1        ~~Development Fund~~ state general fund fifty percent of all distributions until the  
2        ~~Louisiana Economic Development Fund~~ state general fund shall have received one  
3        hundred percent of the tax credits granted for such pool, and thereafter the company  
4        shall remit twenty percent of all distributions to the state general fund.

5                D. Notwithstanding any other provision of this Chapter to the contrary and  
6        considering the adverse impact of Hurricanes Katrina and Rita, all investment  
7        deadlines required by this Section which would have fallen between August 25,  
8        2005, and December 30, 2005, shall be extended to March 31, 2006.

9                                \*        \*        \*

10        §2211. Purpose and goals

11                A. The provisions of this Chapter ~~establish the MediFund as a special fund~~  
12        ~~within the state treasury~~ shall be to support the advancement of biosciences,  
13        biomedical, and medical centers of excellence in Louisiana. The Board of Regents  
14        shall endeavor to achieve this purpose by coordinating and deploying public and  
15        private resources to strategically develop and enhance this state's competitiveness in  
16        biosciences, biomedical, and medical centers of excellence.

17                                \*        \*        \*

18        §2332. Definitions

19                As used in this Chapter, the following terms shall have the following  
20        definitions:

21                                \*        \*        \*

22                (3) "Fund" means the ~~Louisiana Economic Development Fund~~ state general  
23        fund.

24                                \*        \*        \*

25        §2341. Economic Development Award Program

26                                \*        \*        \*

27                F. The legislature shall make an annual appropriation to EDAP ~~for deposit~~  
28        ~~in the Louisiana Economic Development Fund under the terms and conditions as~~  
29        ~~provided for in R.S. 51:2315.~~ Project awards shall be disbursed by the corporation's

1 board.

2 \* \* \*

3 PART VI-A RAPID RESPONSE FUND PROJECTS

4 §2361. Rapid Response Fund Projects

5 A.(1) ~~The Rapid Response Fund, hereinafter referred to as the "fund", is~~  
6 ~~hereby created as a special fund within the state treasury.~~

7 (2) ~~Beginning July 1, 2005, the state treasurer is directed to deposit into the~~  
8 ~~fund at the beginning of each fiscal year ten million dollars. The legislature may~~  
9 ~~appropriate additional monies to the fund notwithstanding the balance in the fund.~~

10 B.(1) ~~All unexpended and unencumbered monies in the fund at the end of the~~  
11 ~~fiscal year shall remain in the fund. Monies in the fund shall be invested by the~~  
12 ~~treasurer in the same manner as those in the state general fund, and any interest~~  
13 ~~earned on the investment of monies in the fund shall be credited to the fund.~~

14 (2) ~~Monies in the fund shall be~~ The legislature may make available for  
15 appropriation to the Department of Economic Development, hereinafter referred to  
16 as the "department". ~~Such appropriations~~ monies that shall be used by the secretary  
17 of the department for immediate funding of all or a portion of economic development  
18 projects which may be necessary in order to successfully secure the creation or  
19 retention of jobs by a business entity under such circumstances as may be determined  
20 by the secretary and the governor.

21 (3)B.(1) The secretary shall report to the Joint Legislative Committee on the  
22 Budget twice yearly, on the first day of October and the first day of April, with  
23 respect to all actual expenditures of monies appropriated ~~from the fund~~ for the  
24 projects. The reports shall be available electronically, and the secretary shall include  
25 in these reports any other information which the committee may require with respect  
26 to use of monies appropriated ~~from the fund~~, including but not limited to the  
27 following information on each economic development project which receives  
28 funding:

29 (a) Performance targets.

1 (b) Outcomes.

2 (c) Numbers of jobs created and retained.

3 (d) Overall payroll generated.

4 ~~(4)(2)~~ The department shall make available upon request the economic  
5 impact analysis on an economic development project which receives monies ~~from~~  
6 ~~the fund.~~

7 C. At the same time as the secretary submits to the official journal for the  
8 state a notice containing general information regarding active negotiations for an  
9 economic development project which is eligible for funding ~~from the fund~~, which  
10 active negotiations the secretary desires to keep confidential as provided in R.S.  
11 44:22, upon request by a member of the legislature in whose legislative district a  
12 project is located, the secretary may provide information regarding the project if the  
13 member submits his signature under oath that all information shall remain  
14 confidential and privileged.

15 §2362. Accountability requirements; legal agreements; Rapid Response ~~Fund~~  
16 projects

17 A. All legal agreements for Rapid Response ~~Fund~~ projects shall include all  
18 of the following:

19 \* \* \*

20 §2363. Accountability requirements; reports; Rapid Response ~~Fund~~ projects

21 A. The secretary of the Department of Economic Development shall develop  
22 a uniform accountability report for economic development created by the Rapid  
23 Response ~~Fund~~ projects. The secretary shall also develop a formula for measuring  
24 the return on investment for each Rapid Response ~~Fund~~ project.

25 B. The Department of Economic Development shall compile and make  
26 available a list of the cooperative endeavor agreements, the name of the entity  
27 receiving funds, and the amount of the incentive received for all Rapid Response  
28 ~~Fund~~ projects in both written and electronic form.

29 PART VI-B. LOUISIANA MEGA-PROJECT DEVELOPMENT ~~FUND~~

## 1           §2365. Louisiana Mega-Project Development Fund

2           A. ~~(1) The Louisiana Mega-Project Development Fund, hereinafter referred~~  
3           to as the "fund", is hereby created as a special fund within the state treasury.

4           B. ~~The state treasurer is hereby authorized and directed to transfer one~~  
5           hundred fifty million dollars from the Louisiana Economic and Port Development  
6           Infrastructure Fund to the Louisiana Mega-Project Development Fund on June 29,  
7           2007. The legislature may appropriate additional monies to the fund if it deems  
8           necessary to accomplish the purposes of the fund.

9           C. Monies in the fund shall be invested by the treasurer in the same manner  
10          as monies in the state general fund and any interest earned on the investment of  
11          monies in the fund shall be credited to the fund. All unexpended and unencumbered  
12          monies in the fund at the end of the fiscal year shall remain in the fund.

13          D. ~~(1) Monies in the fund shall be~~ The legislature may make available for  
14          appropriation for general purposes and for use by to the Department of Economic  
15          Development, hereinafter referred to as the "department", ~~Such appropriations~~  
16          monies that shall be used by the secretary of the department for immediate funding  
17          of all or a portion of economic development mega-projects which may be necessary  
18          in order to successfully secure the creation or retention of jobs by a business entity  
19          or a qualified major event under such circumstances as established by this Part.

20          (2) The secretary shall report to the Joint Legislative Committee on the  
21          Budget twice yearly, on the first day of October and the first day of April, with  
22          respect to all actual expenditures of monies appropriated ~~from the fund~~. The reports  
23          shall be available electronically, and the secretary shall include in these reports any  
24          other information which the committee may require with respect to use of monies  
25          appropriated from the fund, including but not limited to the following information  
26          on each economic development project which receives funding:

27               (a) Performance targets.

28               (b) Outcomes.

29               (c) Numbers of jobs created and retained.

1 (d) Overall payroll generated.

2 (3) The department shall make available upon request the economic impact  
3 analysis on an economic development project which receives monies ~~from the fund~~.  
4 This Subparagraph shall not apply to a mega-project which is a qualified major event  
5 as defined in R.S. 51:2365.1.

6 ~~E.B.~~ Monies ~~in the fund~~ shall be expended only upon recommendation by the  
7 secretary and concurrence by the governor. Any such recommendation shall be  
8 implemented pursuant to a cooperative endeavor agreement executed in accordance  
9 with the provisions of R.S. 33:9029.2 and subject to approval by the Joint Legislative  
10 Committee on the Budget.

11 ~~F.C.~~(1) For purposes of this Section, "mega-project" means:

12 (a) A project which will provide the following:

13 (i) Either five hundred new direct jobs to the state or a minimum initial  
14 investment of five hundred million dollars by the private sector or the United States  
15 Government through the creation of a new facility or the expansion of an existing  
16 facility.

17 (ii) A substantial return on the investment by the state as measured by  
18 projected tax revenues.

19 (b) A project for a military or federal installation which is important to the  
20 Louisiana economy and that may be subject to base realignment and closure, or for  
21 the purchase of land for a mega-project.

22 (c) A project resulting in re-creating or saving at least five hundred direct  
23 jobs in this state, through the transfer of ownership of a facility that has been closed  
24 or a facility that is at risk of closure due to conditions arising out of or relating to a  
25 proceeding under Title 11 of the United States Code.

26 (d) A qualified major event as defined in R.S. 51:2365.1(A)(5) which meets  
27 all of the requirements for eligibility as set forth in R.S. 51:2365.1(D).

28 (2) Except for a mega-project as provided in Subparagraphs (1)(b) and (d) of  
29 this Subsection, the investment by the state in any mega-project shall not exceed

**G.D.** At the same time as the secretary submits to the official journal for the state a notice containing general information regarding active negotiations for an economic development mega-project which is eligible for funding from the fund, which active negotiations the secretary desires to keep confidential as provided in R.S. 44:22, upon request by a member of the legislature in whose legislative district a project is located, the secretary may provide information regarding the project if the member submits his signature under oath that all information shall remain confidential and privileged.

## \* \* \*

~~(2) Beginning with the 2015-2016 Fiscal Year and for each fiscal year thereafter, and after allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurers shall transfer in and credit to the subfund an amount equal to the sum of the incremental increase in state tax receipts generated by the occurrence of all qualified events.~~

~~(4) Subject to legislative appropriation and the approval of the Joint Legislative Committee on the Budget, the treasurer shall disburse monies as provided~~

1 in R.S. 51:2365 to each eligible entity at times and in amounts as determined by the  
2 secretary and approved by the Joint Legislative Committee on the Budget.

3 ~~C.(1)~~ Subject to legislative appropriation and the approval of the Joint  
4 Legislative Committee on the Budget, the secretary of the Department of Economic  
5 Development is hereby authorized to enter into a contract with a local organizing  
6 committee, endorsing parish, or endorsing municipality to recruit, solicit, or acquire  
7 for Louisiana any qualified event that will have a significant positive impact on  
8 economic development in the state. The contract shall provide for a financial  
9 commitment to the local organizing committee, endorsing parish, or endorsing  
10 municipality which shall be subject to legislative appropriation.

11 (2) The amount of the incremental increase in certain state tax receipts  
12 generated within the designated area by the occurrence of the qualified event during  
13 a specified period shall be determined by the secretary. ~~The secretary shall notify the~~  
14 ~~Joint Legislative Committee on the Budget and the treasurer of his determination~~  
15 ~~and, upon the direction of the Joint Legislative Committee on the Budget, the~~  
16 ~~treasurer shall transfer the amount of the incremental increase to the subfund. Such~~  
17 ~~state tax receipts shall be limited to excise tax and sales and use taxes, excluding~~  
18 ~~state hotel and motel occupancy taxes.~~ The amount of the incremental increase shall  
19 not include local tax receipts.

20 ~~D.C.~~ An event not included in the definition of qualified event is ineligible  
21 for funding under R.S. 51:2365. A qualified event may receive funding under R.S.  
22 51:2365 only if all of the following conditions are met:

23 (1) After considering through a highly competitive selection process one or  
24 more sites that are not located in this state, a site selection organization selects a site  
25 located in this state for an event to be held once, or for an event scheduled to be held  
26 annually for a period of years under an event contract.

27 (2) A site selection organization selects a site in this state as the sole site for  
28 the event.

29 (3) The event is held not more frequently than annually.

Coding: Words which are ~~struck through~~ are deletions from existing law; words in **boldface type and underscored** are additions.

\* \* \*

Section 15. R.S. 3:4321(C) and (D), and 4411(B) and (C), R.S. 11:544, R.S. 15:147(B)(14), 167, 185.5, and 572.8(N), R.S. 17:354, 421.7, 1874, 3129.6, 3138.2, 3138.3, 3138.4, Subpart A-2 of Part X of Chapter 26 of Title 17 of the Louisiana Revised Statutes of 1950, comprised of R.S. 17:3397.7, and Part VI of Chapter 42 of Title 17 of the Louisiana Revised Statutes of 1950, comprised of R.S. 17:4001, R.S. 22:347(A)(1), (2), and (3), 437(A) through (E), 831(B), 835(C), (D), and (F), 1071(D)(3)(b) and (c), and 2134, R.S. 24:39, 1291.1(E), and 1515, R.S. 27:92(C), 392(B)(2)(b) through (C), 437(B)(2) and (C), and 439, R.S. 28:826 and 842, R.S. 30:136.3, 2205, and 2480.2, R.S. 33:3005, Subpart A of Part II-A of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:91, R.S. 39:97.3, 98.7, Subpart G of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.1, Subpart H of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.11, Subpart I of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.21, Subpart J of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.26, Subpart K of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.31, Subpart M of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.41, Subpart N of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.51, Subpart P-1 of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.81, Subpart Q-1 of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.122, Subpart Q-2 of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.123, Subpart R of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.126, Subpart R-1 of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, comprised of R.S. 39:100.136, Subpart S of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana

1 Revised Statutes of 1950, comprised of R.S. 39:100.146, 467(G), and 1357, R.S. 40:16.2,  
 2 1402, 1428(A)(4) and (C), 1547, and 2845(D)(2) and (3) and (E), R.S. 46:114.1, 440.1,  
 3 Chapter 57 of Title 46 of the Louisiana Revised Statutes of 1950, comprised of R.S. 46:2731,  
 4 and 2901, R.S. 47:301.1(F), 302.2 through 302.55, 318, 322.1 through 322.43, 322.45  
 5 through 322.48, 332.1 through 332.15, 332.16 through 332.49, 332.51 through 332.54,  
 6 841(G), 841.1, 841.2, 1061(B), 1520(A)(1)(e), 1602.1, and 6351(G)(3) and (4), R.S.  
 7 49:214.6.7(D) and (E) and 259, R.S. 51:2212(3), 2213, 2315, and 2365.1(D), and Code of  
 8 Criminal Procedure Article 926.1(K), Section 7 of Act No. 420 of the 2013 Regular Session  
 9 of the Legislature, Section 9 of Act No. 138 of the 2005 Regular Session of the Legislature,  
 10 and Section 3 of Act No. 1065 of the 1997 Regular Session of the Legislature are hereby  
 11 repealed in their entirety.

12 Section 16. The state treasurer is hereby authorized and directed to transfer any  
 13 unencumbered balances remaining in the funds repealed and abolished in Sections 1 through  
 14 15 of this Act to the state general fund after satisfying the appropriations for Fiscal Year  
 15 2016-2017.

16 Section 17. This Act shall become effective on July 1, 2017.

---

The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Ben Huxen.

---

#### DIGEST

SB 226 Original

2017 Regular Session

Hewitt

#### VARIOUS FUNDS

Proposed law eliminates the following funds as well as all sales and use tax dedications to  
 local entities and their related funds:

2013 Amnesty Collections Fund	§4(B) of Act No. 421 of the 2013 R.S. of the Legislature
Academic Improvement Fund	R.S. 17:354
Administrative Fund of the Department of Insurance	R.S. 22:1071(D)(3)(b) and (c)
Automobile Theft and Insurance Fraud Prevention Authority Fund	R.S. 22:2134
Avoyelles Parish Local Government Gaming Mitigation Fund	R.S. 33:3005
Barrier Island Stabilization and Preservation Fund	R.S. 49:214.6.7(D) and (E)
Center for Excellence for Autism Spectrum Disorder	R.S. 39:100:122

Community and Family Support System Fund	R.S. 28:826
Community Hospital Stabilization Fund	R.S. 46:2901
Community Water Enrichment Fund	R.S. 39:100.81
Competitive Core Growth Fund	R.S. 17:3138.2
Compulsive and Problem Gaming Fund	R.S. 27:27.1(F), 92(B)(2)(a), 249(A), 270(A)(2), 392(B)(2)(a) and 437, R.S. 28:842, and R.S. 47:9029(B)
Louisiana Department of Health's Facility Support Fund	R.S. 40:16.2 and R.S. 3:2(C)
Deepwater Horizon Economic Damages Collection Fund	R.S. 39:91
Department of Justice Legal Support Fund	R.S. 49:259 and R.S. 42:262(B)
Department of Revenue Alcohol and Tobacco Control Officers Fund	R.S. 11:544
DNA Testing Post-Conviction Relief for Indigents Fund	C.Cr.P. Art. 926.1(K) and R.S. 15:147(B)(14)
Employment Security Administration Account	R.S. 23:1515
Equine Health Studies Program Fund	R.S. 27:392(B)(6)(a)
Evangeline Parish Recreational District Support Fund	§9 of Act No. 138 of the 2005 R.S. of the Legislature
FEMA Reimbursement Fund	R.S. 39:100.26 and 100.31
Fiscal Administrator Revolving Loan Fund	R.S. 39:1357
FMAP Stabilization Fund	§7 of Act No. 420 of the 2013 R.S. of the Legislature
Forest Productivity Fund	R.S. 3:4411
Forest Protection Fund	R.S. 3:4321(C) through (D)
Fraud Detection Fund	R.S. 46:114.4
Fund for Louisianians in Need of Civil Legal Assistance	§3 of Act No. 1065 of the 1997 R.S. of the Legislature
Hazardous Waste Cleanup Fund	R.S. 30:2205
Health Care Redesign Fund	R.S. 39:100.51 and R.S. 46:977.13
Health Trust Fund	R.S. 46:2731
Higher Education Initiatives Fund	R.S. 17:3129.6
Higher Education Financing Fund	R.S. 39:82(A), 100.146, 352
Indigent Parent Representation Program Fund	R.S. 15:185.5
Innocence Compensation Fund	R.S. 15:572.8(N)
Insurance Fraud Investigation Fund	R.S. 40:1428(A)(4) and (C)
Legislative Capitol Technology Enhancement Fund	R.S. 24:39
Louisiana Asbestos Detection and Abatement Fund	R.S. 39:97.3
Louisiana Charter School Start-Up Loan Fund	R.S. 17:4001
Louisiana Economic Development Fund	R.S. 23:1514(D)(5), R.S. 47:318(D), R.S. 51:1927.1, 2315, 2332(3), and 2341
Louisiana Emergency Response Network Fund	R.S. 40:2845(A)(6), (D)(2) and (3), and (E)
Louisiana Fire Marshal Fund	R.S. 22:835 and R.S. 40:1582(E)
Louisiana Interoperability Communications Fund	R.S. 39:100.41
Louisiana Mega-Project Development Fund	R.S. 51:2365 and 2366, R.S. 3:4423(3)
Louisiana Public Defender Fund	R.S. 15:167
Louisiana State Police Salary Fund	R.S. 22:831(B)
Louisiana State University Firemen Training Program Film Library Fund	R.S. 40:1547
Major Events Fund	R.S. 39:100.126