

Regular Session, 2010

HOUSE BILL NO. 1012

BY REPRESENTATIVE AUSTIN BADON

STUDENT/TUITION: Authorizes public postsecondary education institutions to enter into performance agreements to be granted certain authority including to increase tuition and mandatory fee amounts for students

1 AN ACT

2 To enact R.S. 17:3351.16, relative to authority granted to public postsecondary education
3 institutions; to authorize public postsecondary education institutions to enter into
4 performance agreements with the Board of Regents; to provide for certain authority
5 granted to such institutions including to increase tuition and mandatory fee amounts
6 for students; to provide for monitoring, renewal, and reporting relative to such
7 agreements; to provide for effectiveness; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 17:3351.16 is hereby enacted to read as follows:

10 §3351.16. Performance agreements; objectives; authority; monitoring, renewal,
11 reporting

12 A. Beginning with the 2010-2011 academic year, any public postsecondary
13 education institution may enter into an initial performance agreement with the Board
14 of Regents in order to be granted autonomy over tuition and mandatory fee amounts
15 applicable to students in exchange for committing to meet the objectives as
16 contained in the performance agreement. At a minimum, the initial performance
17 agreement shall include the following objectives:

18 (1) Phase in increased admission standards in order to increase student
19 retention and graduation rates.

- 1 (2) Increase the number of program completers at all levels each year.
- 2 (3) Increase the number of minority and low-income program completers at
3 all levels each year.
- 4 (4) Increase cohort graduation rates consistent with institutional peers as
5 defined by the Board of Regents.
- 6 (5) Eliminate academic programs with low completion rates that are not
7 aligned with current or strategic workforce needs of the state, region, or both.
- 8 (6) Develop regional partnerships among postsecondary education
9 institutions to provide appropriate program offerings while eliminating duplication
10 of programs.
- 11 (7) Designate centers of excellence to create a highly skilled and readily
12 available workforce for key and emerging industry sectors.
- 13 (8) Develop partnerships with high schools to prepare students for
14 postsecondary education.
- 15 (9) Increase research productivity in key industries identified by Louisiana
16 Economic Development and technology transfer at research institutions consistent
17 with the institution's peers.
- 18 (10) Phase out remedial education course offerings and developmental study
19 programs unless such courses or programs cannot be offered at a community college
20 in the same geographic area.
- 21 (11) Increase the number of associate degrees offered at community colleges.
- 22 (12) Adhere to a schedule established by the institution's management board
23 to increase nonresident tuition amounts that are not less than the average tuition
24 amount charged to Louisiana residents attending peer institutions in other Southern
25 Regional Education Board states and monitor the impact of such increase on the
26 institution.
- 27 (13) Provide feedback to community colleges on the performance of
28 associate degree recipients enrolled at the institution.

1 (14) Develop partnerships with community colleges to admit students who
2 fail to qualify for admission into the institution after they have earned an associate
3 degree from a community college.

4 (15) Demonstrate collaboration in implementing the articulation and transfer
5 requirements as provided in R.S. 17:3161 through 3169.

6 (16) Any additional objectives as determined by the Board of Regents.

7 (17) In addition to the requirements of this Subsection applicable to
8 community colleges and technical college campuses, such institutions shall:

9 (a) Demonstrate progress in increasing the number of students placed in jobs
10 and the performance of associate degree recipients who transfer to institutions that
11 offer academic undergraduate degrees at the baccalaureate level or higher.

12 (b) Increase passage rates on licensure and certification exams and
13 workforce foundational skills.

14 B. Each institution that enters into an agreement as provided in this Section
15 shall be granted, pursuant to policies adopted by the institution's management board,
16 the authority to:

17 (1) Increase tuition and mandatory fee amounts by up to ten percent annually
18 until the institution reaches the average tuition and fee amounts of its peer
19 institutions.

20 (2) Upon reaching the average tuition and fee amounts as specified in
21 Subparagraph (1) of this Paragraph, increase tuition and mandatory fee amounts by
22 up to five percent annually, or by an amount equal to the increase in the Higher
23 Education Price Index in the previous year, whichever is greater.

24 (3) Impose all or some tuition and mandatory fee amounts on a student credit
25 hour basis.

26 C.(1) An initial performance agreement shall be six years in duration and
27 shall be annually monitored by the Board of Regents. The Board of Regents shall
28 report to the legislature and the governor on each participating institution's progress
29 in meeting the performance objectives as specified in Subsection A of this Section.

1 (2) The Board of Regents may renew an institution's performance agreement
2 for an additional six-year period. At a minimum, a subsequent performance
3 agreement shall provide that the institution:

4 (a) Further increase cohort graduation rate goals as specified in Subsection
5 A of this Section including the following, as applicable:

6 (i) A graduation rate of at least seventy-five percent for any institution
7 classified as a "Four-Year 1" institution by the Southern Regional Education Board;

8 (ii) A graduation rate of at least sixty percent for any institution classified
9 as a "Four-Year 2" institution by the Southern Regional Education Board.

10 (iii) A graduation rate of a least fifty percent for any institution classified as
11 a "Four-Year 3", "Four-Year 4", or "Four-Year 5", institution by the Southern
12 Regional Education Board.

13 (b) Continue to make progress in meeting all other performance objectives
14 as contained in the initial agreement.

15 (c) Meet any additional performance objectives as determined by the Board
16 of Regents.

17 (3) If an institution's performance agreement is renewed for subsequent
18 periods following the first renewal period, the institution in exchange shall:

19 (a) Maintain the same graduation rates as specified in Paragraph (2) of this
20 Subsection.

21 (b) Continue to make progress in meeting all other performance objectives
22 as contained in the initial agreement.

23 (c) Meet any additional performance objectives as determined by the Board
24 of Regents.

25 Section 2. This Act shall become effective upon signature by the governor or, if not
26 signed by the governor, upon expiration of the time for bills to become law without signature
27 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
28 vetoed by the governor and subsequently approved by the legislature, this Act shall become
29 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Austin Badon

HB No. 1012

Abstract: Authorizes public postsecondary education institutions to enter into performance agreements with the Board of Regents in order to be granted certain authority including to increase tuition and mandatory fee amounts for students.

Proposed law authorizes public postsecondary education institutions to enter into performance agreements with the Board of Regents in order to be granted authority to increase tuition and mandatory fee amounts in exchange for committing to meet specified minimum objectives. Such objectives include graduation rate goals, increased admission standards, elimination of certain academic programs, phasing out remedial education course offerings, and designating centers of excellence. Specifies that an initial performance agreement shall be six years in duration and shall be annually monitored by the Board of Regents. Requires the board to report to the legislature and the governor on each participating institution's progress in meeting the performance objectives.

Provides that each institution that enters into an initial agreement shall be granted the authority to increase tuition and mandatory fee amounts by specified amounts and impose such amounts on a student credit hour basis. Provides that the Board of Regents may renew an institution's performance agreement for an additional six-year period and specifies further minimum objectives to be met by an institution if its agreement is renewed.

(Adds R.S. 17:3351.16)