

**House Committee on Appropriations
Subcommittee on Postsecondary Education**

Minutes of Meeting
2017 Regular Session
April 12, 2017

I. CALL TO ORDER

Representative John M. Schroder, Sr., Chairman of the Subcommittee on Postsecondary Education, called the meeting to order at 8:29 a.m. in Room 5, in the State Capitol in Baton Rouge, Louisiana. The secretary called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative John M. Schroder, Sr., Chairman
Representative Beryl A. Amedée
Representative Gary M. Carter, Jr.
Representative Jerome Richard
Representative Patricia Haynes Smith

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Mr. Daniel Waguespack, Budget Analyst
Ms. Katie Andress, Secretary

ADDITIONAL ATTENDEES PRESENT:

Representative Mark Abraham
Representative Lawrence A. "Larry" Bagley
Representative John A. Berthelot
Representative Robert E. Billiot
Representative Charles R. Chaney
Representative Franklin J. Foil
Representative Walt Leger, III
Representative Jack G. McFarland
Representative Steve E. Pylant

Ms. Faye Talbot, Sergeant at Arms
Ms. Vivian Hurst, Sergeant at Arms
Ms. Clementine Johnson, Sergeant at Arms

III. DISCUSSION

House Bill No. 1 by Representative Henry

The following agencies contained in House Bill No. 1 were presented and discussed:

Higher Education

Mr. Daniel Waguespack, Budget Analyst for the House Fiscal Division, 900 North Third Street, Baton Rouge, LA 70804, (225) 342-7477, presented an overview and discussed the department's FY17-18 budget.

Mr. Waguespack discussed the Taylor Opportunity Program for Students (TOPS) comparison from Fall 2015 to Fall 2016 with Representative Amedée. He and Dr. F. King Alexander, President of the Louisiana State University System (LSU), 3810 West Lakeshore Drive, Baton Rouge, LA 70808, (225) 578-2111, discussed the comparison between the total cost per student in Louisiana and the Southern Regional (SREB) average with Representatives Schroder and Amedée.

Mr. Waguespack discussed the total amount of funding and application requirements for the Go Grant Program with Representative Smith. He also discussed student enrollment at certain campuses within the Louisiana Community and Technical College System (LCTCS) with Representative Pylant.

Mr. Waguespack discussed statutory dedication projections, the adjustments to the Board of Regents funding formula, increases in certain expenditure categories, and compared Fall student enrollment for four-year and two-year institutions from 2009-2016 with Representative Schroder.

Board of Regents

Mr. Richard Lipsey, Chairman of the Board of Regents, P.O. Box 83280, Baton Rouge, LA 70884, (225) 755-1333, and Dr. Joseph C. Rallo, Commissioner of Higher Education, 1201 North Third Street, Suite 6-200, Baton Rouge, LA 70802, (225) 342-4253, discussed the impact of FY17-18 budget reductions and the department's efforts to implement efficiencies for colleges and universities across the state. (See Exhibit A)

Dr. Rallo and Mr. Lipsey discussed Act 619 from the 2016 Regular Session, which instituted the Think 30 Program, with Representatives Schroder and Smith. He also discussed the unification concept for universities and academic exceptions for athletes with Representative Smith.

Dr. Rallo and Mr. Terrence Ginn, Deputy Commissioner of Finance and Administration for the Board of Regents, 1201 North Third Street, Suite 6-200, Baton Rouge, LA 70802, (225) 342-4253, discussed the reasons for only having two pharmacy programs in Louisiana, the cost associated with the program, and the factors that determine the return on investment for universities with Representative Amedée.

Dr. Rallo and Mr. Lipsey discussed the contributing factors to the overall growth of the TOPS Program, funding mechanisms to sustain TOPS, and tuition autonomy for universities with Representative Amedée. They also discussed reducing the length of time to graduation with Representative Schroder.

Mr. Ginn, Mr. Lipsey, and Dr. Rallo discussed the funding formula model used for each college system with Representatives Schroder and Amedée. Mr. Ginn and Dr. Rallo also listed examples of four and five-star jobs in two-year and four-year institutions for Representative Amedée.

Dr. Rallo discussed Louisiana's cost per-student ranking compared to the SREB and national averages, the correlation between tuition and graduation rates, and the reasons for the decrease in enrollment at LCTCS, with Representative Abraham.

Dr. Rallo discussed the impact of unpredictable funding for the state's universities, the importance of investing in Higher Education, mandated costs to universities, the difficulties associated with filling four and five-star jobs, and the impact of eliminating the TOPS Program and allocating those monies to universities, with Representative Leger. He and Mr. Lipsey also discussed the economic impact of investing in Higher Education with Representative Leger.

Mr. Ginn and Dr. Rallo discussed the impact of FY17-18 budget reductions to the department, mandated costs, and layoffs within the Higher Education systems, with Representative Schroder. Dr. Rallo also discussed efforts to recruit high school students for Louisiana colleges and universities with Representative Bagley.

LSU Health Science Center

Dr. Larry Hollier, Chancellor of the LSU Health Science Center (LSUHSC) at New Orleans, 433 Bolivar Street, 8th Floor, New Orleans, LA 70112, (504) 234-8086, discussed the impact of FY17-18 budget reductions on the department. He and Dr. Alexander also discussed the possibility of privatizing Louisiana's medical schools and refinancing the state's retirement system with Representative Schroder.

Louisiana Community and Technical College System

Dr. Monty Sullivan, President of LCTCS, 265 South Foster Drive, Baton Rouge, LA 70806, (225) 992-2800, discussed the importance of LCTCS and the impact of FY17-18 budget reductions on the system. He also discussed the cost savings measurements taken to prepare for budget reductions with Representative Schroder.

Dr. Sullivan discussed the TOPS Tech Program and the use of federal funding from the Perkins Career and Technical Education Program with Representative Smith. He also discussed the economic impact of LCTCS to the state with Representative Abraham.

Dr. Sullivan discussed the impact of the 2016 floods on student enrollment, Act No. 360 of the 2013 Regular Session (to provide funding for capital improvements for LCTCS), and the creation of new jobs in the maritime industry with Representative Billiot. He also discussed the effects of the Board of Regent's funding formula on LCTCS with Representative Amedée.

Dr. Sullivan discussed options for funding from local entities, the transformation of LCTCS, and increasing the number of students who transfer from community colleges to universities with Representative Schroder. He also discussed dual enrollment requirements for high school students with Representative Smith.

Southern University System

Dr. Ray L. Belton, President of the Southern University System, P.O. Box 9374, Baton Rouge, LA 70813, (225) 771-5020, discussed the impact of FY17-18 budget reductions on the university, and discussed the number of Science, Technology, Engineering, and Math (STEM) vocations offered at the university with Representative Abraham.

Dr. Belton and Mr. William Richardson, Vice President of Agriculture, LSU, 3810 West Lakeshore Drive, Baton Rouge, LA 70808, (225) 578-4161, discussed the progress for producing medical marijuana at LSU and Southern University, and he discussed his trip to Washington D.C. to discuss federal funding for Historical Black Colleges and Universities with Representative Billiot.

Dr. Belton discussed the impact of the 2016 floods to student enrollment and the university's partnership with Mentorship Academy, and he and Mr. Flandus McClinton, Vice President of Finance and Business Affairs, Southern University, P.O. Box 9374, Baton Rouge, LA 70813, (225) 771-6278, discussed the university system's deferred maintenance backlog, with Representative Smith.

University of Louisiana System

Dr. Jim Henderson, President of the University of Louisiana System (UL), 1201 North Third Street, 7-300, Baton Rouge, LA 70802, (225) 342-6950, presented an overview of the university and discussed the FY17-18 budget. He also discussed the trends in student enrollment within the university system, consolidating information technology systems, and the total cost of attendance scholarships for athletes, with Representative Schroder.

Louisiana State University

Dr. Alexander presented an overview of the LSU System and the impact of FY17-18 budget reductions on the university, and Dr. Richardson discussed the LSU Ag Center's FY17-18 budget. (See Exhibit B)

Dr. Donna Ryan, Executive Director of the Pennington Biomedical Research Center, 6400 Perkins Road, Baton Rouge, LA 70808, (225) 763-2513, presented an overview of the research center.

Dr. Alexander discussed the ramification of the Think 30 Program, incentives in place to improve the university's graduation rate for those who receive TOPS funding, and the impact of reductions to Higher Education over the past ten years, with Representative Schroder. He also discussed how the scholarship program implemented in New York compares to Louisiana's TOPS Program, improvements for Federal Pell Grants, and the university's turn-over rate, with Representative Smith.

Dr. Ryan discussed funding for research grants at Pennington Biomedical Research Center, and Dr. Alexander discussed merit increases for LSU faculty and staff, and the university's efforts to streamline administrative costs, with Representative Amedée.

Dr. Alexander discussed the cost savings incurred by having procurement and risk management autonomy and expenditure increases in Higher Education with Representative Schroder.

Dr. Ryan and Dr. Alexander discussed the research center's efforts to recruit projects to fill the empty laboratories and incubators at the facility with Representative Schroder.

Dr. Dan Layzell, Chief Financial Officer for LSU, 330 Thomas Boyd Hall, Baton Rouge, LA 70803, (225) 578-3386, discussed the university's efforts to improve and prevent debt collections with Representative Schroder.

Dr. Alexander and Dr. Rallo discussed how federal Pell Grants and TOPS funding are utilized for college students, the Pelican Promise Program, the effects of the reduction to TOPS funding on LSU students, with Representative Carter.

Dr. Alexander discussed deferred maintenance costs for the LSU System with Representative Schroder.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Schroder offered a motion to adjourn. Without objection, the motion passed by a vote of 5 yeas and 0 nays. Representatives Schroder, Amedée, Carter, Richard, and Smith voted yea.

The meeting was adjourned at 2:52 p.m.

Respectfully submitted,

Chairman John M. Schroder, Sr.
Subcommittee on Postsecondary Education