

Regular Session, 2010

HOUSE BILL NO. 836

BY REPRESENTATIVE WOOTON

HIGHER EDUCATION: Provides relative to disclosure of gifts made to institutions of higher education by foreign governments, persons, and entities

1 AN ACT

2 To enact R.S. 17:1818, relative to certain donations to higher education institutions; to
3 require academic degree-granting institutions to disclose certain information about
4 gifts received from foreign governments, legal entities, or persons; to provide for
5 procedures and enforcement; to provide for rules; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 17:1818 is hereby enacted to read as follows:

8 §1818. Disclosure of gifts made to higher education institutions by foreign
9 governments, persons, and entities

10 A. As used in this Section, the following terms shall have the following
11 meanings unless the context clearly requires otherwise:

12 (1) "Fiscal year" shall mean the fiscal year of the respective higher education
13 institution.

14 (2) "Foreign government" shall mean any government other than the United
15 States government or the government of a state or a political subdivision thereof and
16 shall include an agent of such government.

17 (3) "Foreign legal entity" shall mean any of the following:

18 (a) Any legal entity created under the laws of a foreign government.

19 (b) Any legal entity created under the laws of the United States or of any
20 state of the United States if a majority of the ownership of the stock of such legal
21 entity is directly or indirectly owned legally or beneficially by one or more foreign
22 governments or one or more foreign persons or one or more legal entities created

1 under the laws of a foreign government or if a majority of the membership of any
2 such entity is composed of foreign persons or legal entities created under the laws
3 of a foreign government and shall include an agent of such legal entity.

4 (4) "Foreign person" shall mean any individual who is not a citizen or
5 national of the United States or a trust territory or protectorate of the United States
6 and shall include an agent of such individual.

7 (5) "Gift" shall mean an endowment, scholarship, gift, donation, grant, or
8 award of money or property of any kind. "Gift" shall include entering into a contract
9 or other agreement to make a gift.

10 (6) "Higher education institution" shall mean each public or private
11 postsecondary, academic degree-granting institution offering instruction in the state
12 which is required by R.S. 17:1808 to register with the Board of Regents.

13 B.(1) Every higher education institution shall disclose the amount, terms,
14 restrictions, and requirements attached to or made a part of any gift of a value in
15 excess of one hundred thousand dollars made to such institution by a foreign
16 government, foreign legal entity, or foreign person in any fiscal year. If the foreign
17 government, foreign legal entity, or foreign person makes more than one gift to an
18 institution in any fiscal year, and the total value of those gifts in such fiscal year
19 exceeds one hundred thousand dollars, the institution shall disclose all of such gifts
20 received.

21 (2) The disclosure required by this Section shall be made in a report to the
22 Board of Regents, which shall be filed with the Board of Regents no later than thirty
23 days after the final day of the institution's fiscal year.

24 C. The report required by Subsection B of this Section shall include all of the
25 following:

26 (1) The amount of the gift and the date on which the gift was made to the
27 higher education institution.

28 (2) If the gift is conditional, matching, or designated for a particular purpose,
29 full details of the conditions, matching provisions, or designation.

1 (3) The name of the foreign government, in the case of a gift by a foreign
2 government.

3 (4) The name of the foreign country in which a foreign entity or foreign
4 person is principally located or resides, in the case of a gift by a foreign entity or
5 foreign person.

6 (5) The name of the foreign entity, in the case of a gift which either:

7 (a) Contains conditions or restrictions regarding the control of curricula,
8 employment or termination of faculty, admission of students, or student fees; or

9 (b) Is contingent upon the agreement of the institution to take any specific
10 public position or actions or to award any honorary degree.

11 (6) The purpose or purposes for which the gift will be used.

12 D. The report and all information in the report shall be a public record.

13 E. At the request of the Board of Regents, the attorney general may file a
14 civil action to compel a higher education institution to comply with the provisions
15 of this Section.

16 F. The Board of Regents may adopt rules, in accordance with the
17 Administrative Procedure Act, to provide for implementation of this Section.

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)]

Wooton

HB No. 836

Abstract: Requires higher education institutions that award academic degrees to disclose certain information about gifts received from foreign governments, foreign legal entities, and foreign persons. Provides for procedures, enforcement, and rules.

Proposed law requires every higher education institution in the state to disclose the amount, terms, restrictions, and requirements attached to or made a part of any gift of a value in excess of \$100,000 made to such institution by a foreign government, foreign legal entity, or foreign person in any fiscal year. Requires disclosure of all gifts from the same source if multiple gifts from such a source exceed a value of \$100,000 in a single fiscal year.

Proposed law defines terms as follows:

(1) "Fiscal year" – The fiscal year of the respective higher education institution.

- (2) "Foreign government" – Any government other than the U.S. government or the government of a state or a political subdivision thereof. Includes an agent of such government.
- (3) "Foreign legal entity – Any of the following:
 - (a) Any legal entity created under the laws of a foreign government.
 - (b) Any legal entity created under U.S. law or the law of any state of the U.S., if a majority of the ownership of its stock is directly or indirectly owned legally or beneficially by a foreign government(s) or foreign person(s) or legal entity(ies) created under the laws of a foreign government, or if a majority of the membership of any such entity is composed of foreign persons or legal entities created under the laws of a foreign government. Includes an agent of such legal entity.
- (4) "Foreign person" – Any individual who is not a citizen or national of the U.S. or a U.S. trust territory or protectorate. Includes an agent of such individual.
- (5) "Gift" – An endowment, scholarship, gift, donation, grant, or award of money or property of any kind. Includes entering into a contract or other agreement to make a gift.
- (6) "Higher education institution" – Each public or private postsecondary, academic degree-granting institution offering instruction in the state which is required by present law (R.S. 17:1808) to register with the Board of Regents.

Proposed law provides that disclosure shall be in a report to the Board of Regents to be filed with the board no later than 30 days after the final day of the institution's fiscal year.

Proposed law provides that the report and the information in it shall be a public record and requires that the report include:

- (1) The amount and date of the gift.
- (2) If the gift is conditional, matching, or designated for a particular purpose, full details of the conditions, matching provisions, or designation.
- (3) The name of the foreign government, if the gift is from a foreign government.
- (4) The name of the foreign country in which a foreign entity or foreign person is principally located or resides, if the gift is from a foreign entity or foreign person.
- (5) The name of the foreign entity, if the gift either: (a) contains conditions or restrictions regarding the control of curricula, employment or termination of faculty, admission of students, or student fees; or (b) is contingent upon the institution agreeing to take any specific public position or actions or to award any honorary degree.
- (6) The purpose or purposes for which the gift will be used.

Proposed law provides that, at the request of the Board of Regents, the attorney general may file a civil action to compel a higher education institution to comply with proposed law.

Proposed law authorizes the Board of Regents to adopt rules, in accordance with the Administrative Procedure Act, to implement proposed law.

(Adds R.S. 17:1818)