

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: **9:05 a.m. Wednesday, September 20, 2006**
Glenn S. Dumke Auditorium

Melinda Guzman, Chair
Debra S. Farar, Vice Chair
Jeffrey L. Bleich
Carol R. Chandler
Moctesuma Esparza
Murray Galinson
William Hauck
Ricardo F. Icaza
Andrew LaFlamme
A. Robert Linscheid
Lou Monville
Craig R. Smith

Consent Items

Approval of Minutes of Meeting of July 18, 2006

Discussion Items

1. 2005-2006 Legislative Report No. 11, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON GOVERNMENTAL RELATIONS**

**Trustees of the California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

July 18, 2006

Members Present

Melinda Guzman, Chair
Debra S. Farar, Vice Chair
Roberta Achtenberg, Chair of the Board
Jeffrey L. Bleich
Carol R. Chandler
Moctesuma Esparza
Murray L. Galinson
William Hauck
Andrew LaFlamme
A. Robert Linscheid
Charles B. Reed, Chancellor
Craig R. Smith

Approval of Minutes

The minutes of May 17, 2006 were approved.

Trustee Guzman stated that the item contained an update on the trustees' 2006 legislative program and on other priority legislation of interest or impact to the CSU. She then asked Ms. Karen Zamarripa, Assistant Vice Chancellor, Advocacy and Institutional Relations, to present the item.

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Ms. Zamarripa noted the legislature was in summer recess and would return on August 7 in order to complete the legislative session by midnight, August 31, 2006.

She updated the committee on the status of the three CSU sponsored bills described in the written agenda and noted they were moving through the normal process and are in their respective fiscal committees for consideration when the legislature reconvenes in August.

Beyond our sponsored bills and items included in the written report, Ms. Zamarripa said she anticipates a great deal of activity in the last weeks of session on Speaker Fabian Nuñez's bill,

AB 2987, dealing with telecommunications, cable and phone service. CSU is working on this bill given its impact on campus public television stations. Other issues at the close of the 2006 session may include reappointment, term limits and prison reform.

Ms. Zamarripa noted the potential for a rapid change of focus and last minute changes, or “gut and amend” proposals is always a possibility. She cautioned these and other factors would make it essential for us to keep track of everything that is going on.

Other proposals of interest to CSU include:

AB 1072 (Liu) – this measure would establish a policy on setting student fees at the CSU and UC that would not indicate the obligation of the state to honor its obligation to fund the majority of the cost of education for each student. We have proposed amendments to Assemblymember Liu that would codify the state’s responsibility to fund higher education and financial aid programs as well as her proposed statutory fee policy. We are waiting for her response to our proposed amendments.

AB 1896 (Coto) - is another measure we had been working on that would have required the college preparatory curriculum as the default high school graduation requirement for all students. The bill was defeated in the Assembly Appropriations Committee; however, the support coalition including CSU is already working to prepare for another attempt in 2007.

AB 2951 (Goldberg) – Ms. Zamarripa indicated this was a long-standing debate about capital facility fees charged by municipal utilities in our monthly charges without a direct work of use, service to campuses. Ms. Zamarripa explained the difference between existing law and the proposed legislation, and the cost implications to campuses if the bill is approved. She indicated this would likely be the major issue for CSU and K-12, CCC and UC partners as the session resumes. Chair Galinson inquired about who was supporting the bill. Ms. Zamarripa mentioned a number of proponents including special districts, redevelopment agencies and utilities noting the situation as an example of the tension between “town and gown” relations and local government financing. She observed there is pressure to find means to fund programs and services in the communities and the desire to avoid passing on increases to actual users or ratepayers.

Trustee Galinson inquired about the status of AB 1561 (Umberg). The bill would allow the appointing authority for a state board or commission to remove and replace a termed appointed member should the member miss three out of four regularly scheduled meetings in a row. Ms. Zamarripa noted the bill was never moved from Senate Rules committee and is dead for the year.

The committee recommended approval of the proposed resolution (RGR 07-06-05).

Education Facilities: Kindergarten – University Public Education Facilities Bond Act of 2006 (Proposition 1-D): Endorsement by Board of Trustees

Ms. Zamarripa reported the placement of five propositions on the November 2006 ballot as part of an infrastructure package developed by the Legislature and Governor.

The bond package provides \$37 billion for infrastructure investment including an education bond (*Proposition 1-D*), (for K-12 and higher education) as well as housing, transportation and flood and levee protection. A parks bond (\$5.4 billion) has also been placed on the ballot through the initiative process making the total bonds before the voters nearly \$42.4 billion.

Ms. Zamarripa reviewed the details of the education bond measure. Proposition 1-D provides for a \$10.4 billion education bond of which CSU would receive \$690 million over two years (\$345 million each year).

Trustee LaFlamme asked why CSU's share of the bond revenue was lower than the other segments. Ms. Zamarripa explained the process by which revenue is currently divided and the circumstances that led to the division of proposed revenue for this particular bond.

The committee recommended approval of the proposed resolution (RGR 07-06-06).

COMMITTEE ON GOVERNMENTAL RELATIONS

2005-2006 Legislative Report No. 11

Presentation By

Karen Y. Zamarripa
Assistant Vice Chancellor
Advocacy and Institutional Relations

Summary

This item contains a status report on the Trustees' legislative program, and priority legislation identified consistent with system principles, goals and objectives. The last day of the 2005-2006 session will be August 31st. Governor Schwarzenegger will then have until September 30th to either sign, veto or allow legislation to become law without his signature.

Trustees' Legislative Program

The following proposals comprise the Trustees' legislative program for 2006.

AB 2597 (Pavley) California State University: State University Revenue Bond Act of 1947:

This Board of Trustee-sponsored proposal would enhance the CSU's ability to use its system-wide bonds for future projects and potentially lower its interest costs.

Status: This measure, which has enjoyed unanimous legislative support, was approved by the Senate Appropriations Committee with amendments that deleted section seven of the bill, which authorized the creation of the California State University Dormitory Revenue Fund. CSU worked to restore this important section of the bill before the bill left the Senate with the help of Senator Kevin Murray and others.

AB 2813 (De La Torre) Student financial aid: Ortiz-Pacheco-Poohigian-Vasconcellos Cal Grant Act:

This Board of Trustees and CSSA jointly-sponsored proposal modifies the age cap limitation for Cal Grant Transfer Entitlement awards from 24 to 27 years to reflect the average age of students seeking a college degree in California.

Status: This measure, which has received bipartisan support, is pending action on the Senate Floor and expected to move to the Governor's desk by the end of the month.

SB 682 (Migden) Postsecondary education facilities: This measure was amended to provide an additional \$21 million for the completion of the Joint Library Project at San Francisco State, combining its J. Paul Leonard University Library and the State of California's Sutro Library. This adjustment is necessary given the estimated 12% rise in construction costs since work began.

Status: This measure was approved by the Assembly Appropriations and the full Assembly and is now headed back to the Senate for concurrence in Assembly amendments and to the Governor's Desk.

SB 1724 (Runner) California State University: This Board of Trustees-sponsored proposal has been amended substantially as it moved through the legislature given objections to various provisions by various parties. The bill now makes one change in state law – exempting the CSU from the statutory requirement to collect California retailer's sellers permits in order to contract for purchases.

Status: This measure is in the Senate for concurrence.

Priority Bills

In addition to our trustee-sponsored bills, the following bills are of specific interest to the CSU:

AB 196 (Liu) Postsecondary education: accountability: This measure would dismantle the existing accountability program, where each segment generates its own set of reports; and replaces it with a structure where the California Postsecondary Education Commission (CPEC) collects and maintains a comprehensive database plus publishes reports on the condition of postsecondary education.

CSU Position: OPPOSE
Status: **Dead bill.**

AB 546 (Garcia) State computers: prohibited use: obscene matter: This bill amends the Government Code to clarify that the use of a state computer to view obscene materials is a misuse of state resources punishable with a \$1,000 civil penalty. Assembly Member Garcia has amended AB 546 to allow for legitimate academic and legislative purposes.

CSU Position: FAVOR
Status: This measure passed off the Assembly floor and is now headed to the Governor.

AB 840 (Arambula) Student financial aid: California Community College Transfer Cal Grant Entitlement Program: This bill forgives those students who, between 2002 and 2005, were awarded California Community College Transfer Entitlement Program (CCCTEP) grants in error, by retroactively exempting these students from the statutory requirement to be California residents at the time of high school graduation.

CSU Position: NO OFFICIAL POSITION
Status: This measure was signed into law last month. (Chapter 43, Statutes of 2006.)

AB 1072 (Liu) Public postsecondary education: student fee policy: This measure would establish a policy on setting student fees at the CSU and the UC in order to ensure that students are receiving an affordable undergraduate education. It also requests CPEC to report to the legislature annually on the affordability of undergraduate education at the CSU and the UC.

CSU Position: OPPOSE
Status: **Dead bill.**

AB 1315 (Liu) Cal Grant B awards: access costs: This measure would increase the stipend assistance for Cal Grant B recipients to better reflect the actual costs of attendance for students today by increasing the Cal Grant B award at a rate of at least 5% and not to exceed 10% beginning in the 2007-08 year until it reaches the 20% level in direct costs needed of a students budget.

CSU Position: NO OFFICIAL POSITION
Status: **Dead bill.**

AB 1782 (Mullin) Lottery Act: multistate lottery: distribution of revenues: This proposal would allow the voters of California to authorize the state of California to participate in the multi-state lottery, MegaMillions. This measure was amended to no longer redirect funds derived from a multi-state lottery away from the CSU and towards certain K-12 programs.

CSU Position: NO OFFICIAL POSITION
Status: **Dead bill.**

AB 1896 (Coto) High schools: curriculum requirements: This measure would essentially make the college preparatory curriculum the default high school graduation requirement for all students. The bill allows parents to make different choices including career tech curriculum or a general course of study consistent with high school graduation requirements.

CSU Position: FAVOR
Status: **Dead bill.**

AB 1986 (De La Torre) Public contracts: California State University: auxiliary organizations:
This measure would place the CSU's current policy requiring auxiliaries to use the CSU Contract Law for projects involving public funds into statute.

CSU Position: NO OFFICIAL POSITION
Status: This measure was approved by the full Senate and the Assembly and is now headed to the Governor's desk.

AB 2168 (Liu) Public postsecondary education: common set of area requirements for general education: This measure would require the public segments of higher education to jointly develop, maintain and disseminate a single common set of area requirements in general education courses for transfer students, which the UC may not have an incentive to collaborate with.

CSU Position: OPPOSE
Status: **Dead bill.**

AB 2355 (Negrete McLeod) Public employees' retirement: service credit: California State University academic employees: This measure which is sponsored by CFA, would allow an academic employee to buy back service time at the cost of the employer. For the Academic Year 2005-2006, the CSU estimates that these costs could be \$670,000 annually.

CSU Position: OPPOSE
Status: This measure was approved by the Senate Appropriations Committee August 17th and is pending action on the Senate floor.

AB 2665 (Goldberg) California American Indian Education Commission: This measure would establish the California American Indian Commission in order to improve educational opportunities for California's American Indian students.

CSU Position: FAVOR
Status: **Dead bill.**

AB 2666 (Goldberg) Public postsecondary education: resident classification: members of recognized tribes: This measure would have provided that a student who is a member of a federally recognized tribe is entitled to resident classification status for fee purposes.

CSU Position: NO OFFICIAL POSITION
Status: **Dead bill.**

AB 2748 (Jones) Public postsecondary education student housing reports: This measure would request the regents, and require the trustees, to each prepare a report on campus student housing due to the Legislature on or before March 31, 2007.

CSU Position: NO OFFICIAL POSITION
Status: This measure was approved with amendments by the Senate Appropriations Committee and awaits action in the full Senate.

AB 2951 (Goldberg) Capital facilities fees: This measure expands the scope of capital facilities fees that may be assessed by publicly owned utilities to public entities. The bill also limits the scope of relief available to those challenging illegal increases to capital facilities fees. The CSU estimates that this measure would increase its costs by \$4 million annually.

CSU Position: OPPOSE
Status: The Senate Appropriations Committee approved this measure with amendments requiring utilities to do cost studies each decade. Defeat of this measure has been one of the CSU's highest priorities this session.

AB 2992 (Evans) California State University: This measure would single out the CSU by requiring the system to pre-qualify mechanical subcontractors for every public works project at the CSU that exceeds the value of a minor capital outlay project.

CSU Position: OPPOSE
Status: The bill was initially held in the Senate Appropriations Committee during the hearing on its "suspense file"; however union supporters were successful in getting the Senate leadership to move this bill to the full Senate and eventually to the Governor's Desk.

SB 160 (Cedillo) Student financial aid: eligibility: California Dream Act: This proposal requests the University of California and requires the California State University, and the California Community Colleges to establish procedures and forms to enable students who are exempt from paying nonresident tuition to participate in all applicable student aid programs administered.

CSU Position: FAVOR
Status: The Assembly Appropriations Committee approved this measure last week. The full Assembly will act on bill in the next week or so.

SB 845 (Scott) Postsecondary education: College Opportunity Act of 2006: This bill would enact the College Opportunity Act of 2006 which seeks to develop a long-term enrollment plan,

expand outreach and academic preparation efforts, and encourage the increase in funding for enrollment.

CSU Position: FAVOR
Status: **Dead bill.**

SB 1124 (Torlakson) Teacher development: recruitment, training, and retention: This measure would set in place various financial aid and loan forgiveness programs for new teachers in order to provide a qualified teacher in every classroom.

CSU Position: FAVOR
Status: The bill was held in the Senate Appropriations Committee in mid-August given its fiscal impact. Senator Torlakson, an expected candidate for Superintendent of Public Instruction when Jack O'Connell is termed out, amended SB 842 to delete its contents and replace it with the language found in SB 1124.

SB 1181 (Maldonado) Public postsecondary education: administrative salaries and compensation: This bill requests the University of California (UC) and requires the California State University (CSU) and Community College (system-wide level only) to report annually on the total compensation of specified executive and senior level administrative positions.

CSU Position: FAVOR IF AMENDED
Status: **Dead bill.**

SB 1209 (Scott) Teachers: teacher credentialing: out-of-state teachers: professional growth programs: teacher compensation: This omnibus measure removes certain requirements for out-of-state trained teachers related to credentialing, as well as other changes to the teacher credentialing process.

CSU Position: FAVOR
Status: This measure was approved by the Assembly Appropriations Committee and will be headed to the Assembly Floor.

SB 1264 (Alquist) Student financial aid: Ortiz-Pacheco-Poohigian-Vasconcellos Cal Grant Program: This measure would increase the number of competitive Cal Grant A and B awards by 500, bringing the total amount of Grants awarded annually to 23,000.

CSU Position: FAVOR
Status: **Dead bill.**

SB 1309 (Scott) Nursing education: grants, loan assumptions, and faculty recruiting and retention: This measure modifies the State Nursing Assumption Program of Loans for Education (SNAPLE) as well as investments in Community College Nursing Programs. It also states the intent of the Legislature to expand the number of nurses educated in California by increasing enrollment at the CSU.

CSU Position: FAVOR

Status: This measure was approved by the Assembly Appropriations Committee on August 17th and moved to the Floor for action prior to adjournment of the session.

SB 1604 (Margett) Public contracts: bids and disputes: This measure was amended to remove the most onerous provision of the bill, which would have required the CSU to require bidders on public works contracts to submit proposed substitutions of products or materials called for in the bid prior to the award of a contract. *SB 1604* now only makes various technical changes.

CSU Position: NO OFFICIAL POSITION

Status: This measure was passed out on the Assembly's consent calendar and is headed back Senate for Concurrence.

SB 1709 (Scott) Postsecondary education: College Opportunity Act of 2006: This bill would have enacted the College Opportunity Act of 2006, which would have sought to develop a long-term enrollment plan, expand outreach and academic preparation efforts, and encourage the increase in funding for enrollment.

CSU Position: FAVOR

Status: **Dead bill.**

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that the 2005-06 Legislative Report No 11 is adopted.