

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: **8:30 a.m. Wednesday, November 19, 2008**
Glenn S. Dumke Auditorium

Carol R. Chandler, Chair
Peter G. Mehas, Vice Chair
Debra S. Farar
Curtis Grima
Melinda Guzman
A. Robert Linscheid
Lou Monville
Craig R. Smith

Consent Items

Approval of Minutes of Meeting of September 17, 2008

Discussion Items

1. 2007-2008 Legislative Report No. 12, *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**

September 17, 2008

Members Present

Carol R. Chandler, Chair
Jeffrey L. Bleich, Chair of the Board
Debra S. Farar
Melinda Guzman
A. Robert Linscheid
Lou Monville
Charles B. Reed, Chancellor
Craig R. Smith

Approval of Minutes

The minutes of July 1, 2008 were approved.

2007-2008 Legislative Report No. 11

Ms. Karen Zamarripa, assistant vice chancellor, advocacy and institutional relations presented the report.

Ms. Zamarripa noted for the first time, CSU had no vetos and was successful in either defeating or amending legislation that concerned the university.

Ms. Zamarripa briefly reviewed the status of legislation contained in the Trustees' 2008 Legislative Program and commented on other pertinent legislative measures currently moving through the process. She noted CSU has a number of measures on the governor's desk awaiting his signature and said she was hopeful he would take action on them soon.

The committee recommended approval of the proposed resolution. (RGR 09-08-06)

November 2008 Ballot Initiatives

Ms. Zamarripa informed the committee there are 12 measures that will go before California's voters on the November 2008 ballot. She summarized each one as presented in the written item

and added her comments and insights regarding how some of the measures could impact CSU if they were passed.

Ms. Zamarripa also provided a detailed overview on the status of the upcoming legislative elections with regard to the various seats at stake in the senate and the assembly. She concluded stating the November ballot will present some hard choices that could seriously impact funds available for future investments in higher education.

COMMITTEE ON GOVERNMENTAL RELATIONS

2007-2008 Legislative Report No. 12

Presentation By

Karen Y. Zamarripa
Assistant Vice Chancellor
Advocacy & Institutional Relations

Summary

This item contains an update on the Trustees' 2008 Legislative Program and other pertinent legislative measures currently moving through the process.

Trustees' 2008 Legislative Program

SB 1288 (Scott) Doctorate in Nursing: This measure authorizes the CSU to offer a doctor of nursing practice (DNP) degree. This program will allow the system to create the tenure-track nursing faculty needed by both the CSU and California Community Colleges to produce the nurses the State needs.

Status: DEAD
Despite the CSU's attempt to eliminate all fiscal costs for this measure, SB 1288 was held by the Senate Appropriations Committee.

SB 1329 (Harman) Uniform Prudent Management of Institutional Funds Act: This measure will allow California to adopt the Uniform Prudent Management of Institutional Funds Act (UPMIFA), updating rules governing the management, investment, and expenditure of charitable funds.

Status: SIGNED BY THE GOVERNOR
Chapter #715, Statutes of 2008.

AB 2365 (De La Torre) Cal Grant B Awards: Award Amount: This measure would increase the number of recipients who will receive funds for fees and tuition through their Cal Grant B awards in their first year from the existing 2% to 25% by academic year 2009-2010 and all recipients by academic year 2012-2013.

Status: DEAD

This measure, which was a re-introduction of our jointly sponsored bill with the CSSA AB 302 during the 2007 session, was held by the Assembly Appropriations Committee due to costs.

Priority Bills

AB 100 (Mullin) Education Facilities: Per-Unhoused-Pupil Grant: This measure, as introduced, would have placed a K-12 and higher education facility General Obligation Bond on the November 2008 ballot. As amended, the bill would simply have increased the per pupil grant amount for new K-12 construction in an effort to respond to the rising costs of constructions.

CSU Position: NO OFFICIAL POSITION

Status: VETOED

Veto Message:

I am returning Assembly Bill 100 without my signature. Provisions in this bill would set an undesirable precedent by providing a retroactive increase to school district per-pupil construction grants. This provision conflicts with the full and final apportionment provision of the School Facilities Program, which requires districts to certify that the funding received is sufficient to complete the project for which the grants are intended. Furthermore, with California's current fiscal climate, it is imprudent to increase construction grants at this time, particularly considering it is uncertain when the next school bond measure may be approved by the voters. For these reasons, I am unable to sign this bill.

AB 178 (Coto) High Schools: Curriculum and Enrollment: College Readiness and Equity Pilot Program: This measure would have established as a pilot the College Readiness and Equity Program to provide grants to high schools that enroll and support pupils in a college preparation curriculum. The measure proposed a total grant of \$150,000 to fund this pilot.

CSU Position: SUPPORT

Status: DEAD

This measure was held by the Senate Education Committee due to its costs.

AB 767 (Walters) Student Financial Aid: Veterans and Dependents: This measure would create the Golden State GI Bill of Rights for Higher Education and would provide a waiver of resident tuition at the CSU, the University of California (UC), and the California Community Colleges (CCC) for California residents who have been honorably discharged from the military and exhausted their federal benefits under the federal GI Bill.

CSU Position: OPPOSE UNLESS AMENDED

Status: DEAD

This bill was made a two-year measure at the request of the author. The CSU requested that the measure provide a reimbursement from the State for these students. The CSU estimated a conservative cost of \$10 million to pay for these waivers.

AB 876 (Davis) Career Technical Education: This measure requires the California State University, and requests the University of California (UC), to provide assistance in the development of K-12 Career Technical Education (CTE) courses for the purposes of admission by both systems and to disseminate information about those courses.

CSU Position: NO OFFICIAL POSITION

Status: SIGNED BY THE GOVERNOR

Chapter #650, Statutes of 2008.

AB 1415 (Brownley) Teacher Credentialing: Services Credential: Programs Of Professional Preparation: This bill requires the Commission on Teacher Credentialing to create an accountability system to assess the effectiveness of professional preparation programs in education administration.

CSU Position: OPPOSE UNLESS AMENDED

Status: DEAD

This measure was held by the Senate Appropriations Committee due to costs.

AB 1578 (Leno) Foster Youth Higher Education Preparation and Support Act of 2007: California College Pathways Program: This bill states legislative intent to establish and provide services and financial support to help foster youth achieve their educational goals and establishes the California Competitive Grant Program to provide comprehensive support in postsecondary institutions to students who are former foster youth.

CSU Position: NO OFFICIAL POSITION

Status: DEAD

This measure was held by the Senate Appropriations Committee due to costs.

AB 1586 (DeSaulnier) University of California and California State University: Career Technical Education Courses: This measure would require the CSU, and request the UC, to recognize the completion of all high school Career Technical Education (CTE) courses that meet

Gov. Rel.
Agenda Item 1
November 18-19, 2008
Page 4 of 13

the model CTE curriculum standards adopted by the State Board of Education (SBE) as satisfying the completion of a general elective course requirement for the purposes of admission to that university by 2014, effectively reducing the authority of the CSU to set its own admission standards by transferring some power to the SBE.

CSU Position: OPPOSE
Status: DEAD
This measure was held by the Senate Education Committee due to costs.

AB 1656 (Jones) Personal Information: Security Breaches: This measure would have required a person, business, or public agency that sells goods or services to any California resident and accepts as payment a credit or debit card, or other payment device, to comply with specified data security standards.

CSU Position: NO OFFICIAL POSITION
Status: VETOED

Veto Message:
I am returning Assembly Bill 1656 without my signature. As I stated in last year's veto of a similar bill, this bill attempts to legislate in an area where the marketplace has already assigned responsibilities and liabilities that provide for the protection of consumers. Clearly, the need to protect personal information is increasingly critical as routine commercial transactions are more and more exclusively accomplished through electronic means. However, by requiring notification even where no information was obtained improperly, this bill would likely result in significant costs to businesses and to the state. In addition, by locking in today's best practices, AB 1656 would assure that the law remains static in the face of future, unseen concerns. Moreover, this bill would create a disincentive for businesses to adhere to new, more comprehensive, industry standards. Existing law already contains a comprehensive penalty scheme for identity theft that details with great particularity the numerous ways in which it can occur, and imposes criminal sanctions. These provisions cover both identity thieves and retailers who are complicit in their crimes. If existing penalties are inadequate to properly deter would-be identity thieves, the proper response would be to enhance these penalties. For these reasons, I am unable to sign this bill.

AB 1758 (DeVore) Postsecondary Education: This measure would establish the California National Guard Education Assistance Act which would provide a fee waiver on up to 60 units of course work for members who re-commit to the Guard.

CSU Position: OPPOSE UNLESS AMENDED
Status: DEAD

This measure was held by the Assembly Appropriations Committee and is dead.

AB 1779 (Jones) Personal Information: Security Breaches: This measure would require a person, business, or public agency that sells goods or services to any California resident and accepts as payment a credit or debit card or other payment device to comply with specified data security standards.

CSU Position: NO OFFICIAL POSITION

Status: DEAD

This measure was held in the Senate Judiciary Committee and is now dead.

AB 1821 (Brownley) Public Postsecondary Education: Reporting Requirements: This measure was amended a third time and would have eliminated some, and reorganized other, higher education reporting requirements placed on the state's public universities and colleges.

CSU Position: NO OFFICIAL POSITION

Status: VETOED

Veto Message:

I am returning Assembly Bill 1821 without my signature. While the intent to streamline reporting requirements for the higher education segments is a laudable goal, I understand this bill contains a drafting error. Furthermore, as currently drafted, this bill would likely result in significant state reimbursable mandated costs on the Community Colleges. I would be willing to sign a bill in the next session that addresses these concerns and directing my Department of Finance to work with the appropriate Legislative staff to this end. For these reasons, I am unable to sign this bill.

AB 2083 (Nunez) Student Financial Aid: Institutional Financial Aid Eligibility: This measure would allow AB 540 students to receive institutional financial aid from a public university, like the CSU's State University Grant (SUG).

CSU Position: SUPPORT

Status: DEAD

This measure was held by the Senate Appropriations Committee. This measure was almost identical to Senator Cedillo's SB 1301.

AB 2296 (Mullin) Academic Research: This measure will increase protections for academic researchers by making it a misdemeanor to illegally enter into the private residence of an academic researcher for the purposes of intimidating and interfering with the researcher's

academic work. Such a violation would be punishable by a jail term of up to six months, or a fine of up to \$1000, or both.

CSU Position: SUPPORT
Status: SIGNED BY THE GOVERNOR
Chapter #492, Statutes of 2008.

AB 2372 (Coto) Public Postsecondary Education: Systemwide Fees: Limitations: Tax Levy: This measure proposes creating the College Affordability Act of 2008, which would freeze undergraduate fees for five years and limit any future increases to the annual percentage change in the California Consumer Price Index starting in fiscal year 2014-15. It would also place a tax of 1% on the taxable income of a resident of California who earns more than \$1 million, but would direct only 60% of these funds to the newly created College Affordability Fund which would be directed to the CSU and UC.

CSU Position: OPPOSE
Status: DEAD
This measure was held on the Assembly Appropriation's suspense calendar. The CSU opposed this measure as it did not guarantee the State's obligations to higher education.

AB 2458 (Walters) Public Postsecondary Education: Graduation Rates: This measure currently states that it is the intent of the Legislature to enact legislation which would provide a student a financial reward for graduating early from a public postsecondary institution. The measure also suggests that this reward would be shared with the institution as well.

CSU Position: NO OFFICIAL POSITION
Status: DEAD
This was never referred to a policy committee and is now dead.

AB 2496 (Huffman) Public Postsecondary Education: Tuition and Fees: This measure would provide a fee waiver to a dependent of a federal firefighter who died while performing assigned fire-fighting duties in the State. The measure also would expand the existing fee-waiver for all public safety employees by allowing their dependents to receive this waiver if they had *died as a result of an occupational disease*. Currently the waiver is only granted to those who died of an injury caused by external violence or physical force. The measure was amended to add a sunset of 2014 and a report by the Legislative Analyst's Office on the number of fee waivers higher education provides this population.

CSU Position: OPPOSE UNLESS AMENDED
Status: DEAD

This measure was held by the Senate Appropriations Committee due to costs. The CSU had requested an amendment to provide backfill of revenues from the State's General Fund on the lost revenue for these students which was estimated to be \$1.5 million.

AB 2602 (Smyth) Public Postsecondary Education: Hunting and Trapping: Funding: This measure would state the intent of the legislature that a public institute of higher education cannot fund or participate in the lethal hunting of animals.

CSU Position: NO OFFICIAL POSITION

Status: DEAD

The measure was dropped by the author.

AB 2722 (Duvall) Public Postsecondary Education: Statewide Student Fee Policy: This measure would establish that by the fiscal year 2009-10 the CSU and the UC must establish a level of mandatory systemwide fees and tuition for undergraduate students for a period of at least four years in an effort to allow students to budget for their costs of attending a four-year program.

CSU Position: OPPOSE

Status: DEAD

This measure failed to advance out of the Assembly Higher Education Committee.

AB 2876 (Lieber) Postsecondary Education: Student Loan Integrity Act: This measure would require a public or private university to include a notice warning applicants of the potential hazards associated with accepting a private student loan when they are notified of their acceptance to the institution. The measure would also prohibit the university, or its representatives from accepting anything of value in consideration of originating a student loan or advising or encouraging any person to accept a student loan. Finally, this measure would permit a person to seek damages from an educational institution or a lender that conspired or acted in concert with the postsecondary educational institution in violating those provisions.

CSU Position: NO OFFICIAL POSITION

Status: DEAD

This measure was held by the Assembly Higher Education Committee.

Gov. Rel.
Agenda Item 1
November 18-19, 2008
Page 8 of 13

ACA 16 (Torrico) Public Postsecondary Education: Student Enrollment: Funding: This measure proposed the creation of a long-term state-funding policy for the University of California (UC) and CSU.

CSU Position: NO OFFICIAL POSITION
Status: DEAD
This measure did not receive the necessary votes to advance out of the Assembly Higher Education Committee and is now dead.

SB 191 (Padilla) Public Works: Labor Compliance Programs: This measure would have put in place a labor compliance program for any project that Proposition 1-D monies paid for.

CSU Position: NO OFFICIAL POSITION
Status: VETOED

Veto Message:
I am returning Senate Bill 191 without my signature. SB 191 establishes an alternative mechanism to fund enforcement of prevailing wage and apprenticeship requirements on specified public works projects to support enforcement of prevailing wage law in California. This bill would provide funding to permit an alternative to the failed enforcement scheme of labor compliance programs (LCPs), and in this way represents a favorable step in the right direction. However, the bill, which was amended late in the session, would not exact the meaningful change needed to address the broader problems with oversight of California's prevailing wage laws. I am requesting that the Department of Industrial Relations (DIR) work with the stakeholders on a comprehensive reform of DIR's enforcement of public works laws this fall and return with an improved legislative proposal next year. For these reasons, I am returning SB 191 without my signature.

SB 325 (Scott) Postsecondary Education: California Postsecondary Education Accountability Act of 2007: SB 325 would have established an accountability framework, which would biennially assess and report on the collective progress of the states system of postsecondary education in meeting specified educational and economic goals.

CSU Position: SUPPORT
Status: VETOED

Veto Message:
I am returning Senate Bill 325 without my signature. While I respect the author's intent to establish a statewide system of accountability for postsecondary education and a framework to assess the collective contribution of California's institutions of higher education toward meeting statewide economic and educational goals, this bill falls short

in providing any framework for incentives or consequences that would modify behavior to meet any policy objectives. I believe our public education systems should be held accountable for achieving results, including our higher education segments, and would consider a measure in the future that provides adequate mechanisms that will effectuate tangible gains in student outcomes and operational efficiencies. For these reasons, I cannot support SB 325 in its current form.

SB 361 (Scott) Postsecondary Education: California Postsecondary Education Commission: This measure removes certain reporting requirements of the California Postsecondary Education Commission (CPEC), most of which are obsolete or have not been recently produced by the commission. In addition, recent amendments outline priority functions for the commission in light of budget restraints: 1) review of new campuses; 2) review of new academic programs; 3) administer federal programs, like Eisenhower Grants; and, 4) serve as data warehouse for the state on higher education.

CSU Position: SUPPORT
Status: SIGNED BY THE GOVERNOR
Chapter #514, Statutes of 2008

SB 441 (Torlakson) State Property: Vending Machines: This measure requires that each vendor who operates or maintains vending machines on designated state property to phase in a requirement that at least 25% of the food and beverages offered in a machine specify nutritional guidelines.

CSU Position: NO OFFICIAL POSITION
Status: SIGNED BY THE GOVERNOR
Chapter #597, Statutes of 2008

SB 890 (Scott) Pupils: Early Commitment to College Program: This measure establishes the voluntary Early Commitment to College (ECC) program designed to increase college preparation for low-income K-12 pupils. Districts volunteering to participate in this program would be required to undertake a variety of activities aimed at increasing high school completion rates and motivating pupils to take rigorous college preparatory or career technical coursework.

CSU Position: SUPPORT
Status: SIGNED BY THE GOVERNOR
Chapter #472, Statutes of 2008

SB 946 (Scott) Community College Early Assessment Pilot Program: This measure expands the Early Assessment Program (EAP) to the California Community Colleges (CCC).

Gov. Rel.
Agenda Item 1
November 18-19, 2008
Page 10 of 13

CSU Position: SUPPORT
Status: SIGNED BY THE GOVERNOR
Chapter #473, Statutes of 2008

SB 1290 (Wyland) National Guard: Educational Benefits: This measure would require the CSU to waive the cost of tuition and all associated fees to a member of the National Guard for up to five years and would not provide the system with additional revenues to cover this cost.

CSU Position: SUPPORT IF AMENDED
Status: DEAD
This measure was never heard in committee and is now dead. The CSU would have requested a reimbursement from the State for the lost revenue of these students.

SB 1301 (Cedillo) Student Financial Aid: Institutional Financial Aid Eligibility: This measure would have allowed AB 540 students to receive institutional financial aid from a public university, like the CSU's State University Grant (SUG).

CSU Position: SUPPORT
Status: VETOED

Veto Message:
I am returning Senate Bill 1301 without my signature. I share the author's goal of making affordable education available to all California students, but given the precarious fiscal condition the state faces at this time, it would not be prudent to place additional demands on our limited financial aid resources as specified in this bill. For this reason, I am unable to sign this bill.

SB 1355 (Corbett) Postsecondary Education: Private Student Loans: This measure would have required a public or private university that originates private loans (not federally subsidized loans) to provide certain financial information to their students about the loan rates and whether they are fixed or variable. It also required universities to state in their financial aid materials that private loans may cost more than a federal loan.

CSU Position: NO OFFICIAL POSITION
Status: VETOED

Veto Message:
I am returning Senate Bill 1355 without my signature. This bill would require public and private postsecondary education institutions to disclose specified information regarding the terms of private loans and federal loans in specified financial aid materials.

However, recently enacted federal legislation (H.R. 4137) makes changes to the Federal Family Education Loan program, requiring more comprehensive lender disclosures and consumer education of students and families than this bill, particularly as budgeting and financial management relates to student loan programs. The federal legislation also imposes new restrictions on private lenders and education institutions in order to address concerns related to unfair lending practices and conflicts of interest. Therefore, given the comprehensive nature of the federal reforms recently enacted, I am unable to sign this bill at this time.

SB 1494 (McClintock) State Agency Web Sites: Information: This measure would have required each state department and agency, including the CSU, to develop and operate a web site accessible by the public that includes specified information relating to expenditures of state funds, defined to include, grants, contracts, subcontracts, purchase orders and tax refunds, rebates, and credits

CSU Position: OPPOSE
 DEAD

Status: This measure was held by the Senate Appropriations Committee due to costs. The CSU estimated that at the very least, it would have costs of \$3-5 million for start-up costs as the CSU.

SB 1578 (Florez) Public Postsecondary Education: Gender Equity in Athletics: This measure would require the CSU and the UC to establish an Office of Gender Equity (OGE) and to appoint a Title IX compliance officer. It also mandates Title IX and gender equity training for all athletic department personnel and executive level university management and those campuses, with NCAA intercollegiate athletic programs, achieve gender equity in participation, expenditure, and grants-in-aid for women athletics programs at a higher standard than federal, NCAA, and Cal-Now standards. Finally, each campus would have to file with the newly created Office of Gender Equity in Academics (OGEIA), which would be established with the California Attorney General's Office, a certificate of Compliance. The OGEIA would be authorized to place up to 20% of the athletic department budget of any campus into receivership if that campus is deemed to be in noncompliance for more than two consecutive years.

CSU Position: OPPOSE
Status: DEAD
 This measure is dead for this session.

SB 1585 (Padilla) California Community Colleges: Transfer Students: This measure would have established a voluntary five-year pilot program at up to 10 community colleges with the goal of increasing the rate of students who transfer to a four-year institution.

Gov. Rel.
Agenda Item 1
November 18-19, 2008
Page 12 of 13

CSU Position: SUPPORT
Status: VETOED

Veto Message:

I am returning Senate Bill 1585 without my signature. While I appreciate the intent to increase transfer rates of basic skills students from the community colleges to the four-year segments of higher education, significant funding has been provided to the community colleges for basic skills students, the University of California for cooperative transfer outreach with community colleges, and other programs for the purpose of enhancing transfer success. Given the efforts to resolve the current budget deficit, it is not advisable to create new programs when existing resources are already being directed to meet the objective. For these reasons, I am unable to sign this bill.

SB 1680 (Wyland) Student Financial Aid: Military and Veterans Office: This measure will help streamline the coordination of services for qualified students who are veterans or members of the military by requiring institutions of higher education to clearly designate Military and Veterans Offices that will assist students in determining their eligibility for financial aid and other student services.

CSU Position: SUPPORT
Status: SIGNED BY THE GOVERNOR
Chapter #123, Statutes of 2008.

SB 1752 (Wyland) California National Guard Education Assistance Award Program: This measure would establish the California National Guard Education Assistance Award Program.

CSU Position: WATCH
Status: DEAD
This measure was held by the Senate Appropriation Committee due to costs.

SB 1762 (Perata) Energy: Greenhouse Gas Emissions: This measure would have created the California Climate Change Research and Workforce Development Institute (Institute) at the University of California funded by a redirection of existing funding from the Public Interest Energy Research Program and an additional fee on electric service provided by investor-owned utilities and publicly owned utilities. The prime goal of the Institute was to identify and support research and education through grants to California universities, including the CSU, to reduce or mitigate greenhouse gas emissions.

CSU Position: SUPPORT

Status: VETOED

Veto Message:

I am returning Senate Bill 1762 without my signature. This bill would establish the California Climate Change Institute within the University of California (UC) to perform climate change research and develop educational and green workforce development strategies. Funding for the institute comes from a redirection of public interest energy research (PIER) funds and authorization of a new surcharge on electric service provided by investor- and publicly-owned utilities. Unfortunately, this bill is too limiting and is too premature to be signed this year. First, the bill places the institute entirely within the UC system. Doing so does not recognize the role that the other segments of California's higher education system can provide, not only for climate change research, but for the development and deployment of new technologies that will reduce our greenhouse gas emissions and keep California at the forefront of these emerging technologies. Additionally, this bill is premature because the Air Resources Board (ARB) is still developing the Scoping Plan required by the Global Warming Solutions Act of 2006. This plan should be in place prior to re-organizing the way climate change research in the state is conducted. Finally, the bill prohibits ratepayer-funded climate change research in other state agencies. This is ill-advised as it may deprive the state from being able to receive federal funding for projects that must be administered by particular state agencies. It would be a disservice to Californians if the state could not fully participate in federal funding paid for by their tax dollars. For these reasons, I am returning this bill without my signature.

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that the 2007-08 Legislative Report No. 12 is adopted.