

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: **8:35 a.m., Tuesday, May 10, 2011**
 Glenn S. Dumke Auditorium

Peter G. Mehas, Chair
A. Robert Linscheid, Vice Chair
Nicole M. Anderson
Carol R. Chandler
Debra S. Farar
Melinda Guzman
William Hauck
Linda A. Lang
Lou Monville

Consent Items

Approval of Minutes of Meeting of March 22, 2011

Discussion Items

1. 2011-2012 Legislative Report No. 3, *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**

March 22, 2011

Members Present

Peter G. Mehas, Chair
A. Robert Linscheid, Vice Chair
Nicole M. Anderson
Herbert L. Carter, Chair of the Board
Carol R. Chandler
Melinda Guzman
William Hauck
Raymond W. Holdsworth
Lou Monville
Charles B. Reed, Chancellor

Approval of Minutes

The minutes of January 26, 2011, were approved by consent as submitted.

CSU Trustees' Statement of Legislative Principles

Mr. Garrett Ashley, vice chancellor for university relations and advancement, reported that work on legislation has begun for more than 2,300 bills introduced for the new session and all bills must move through their first policy committee by May 13. He asked Karen Y. Zamarripa, assistant vice chancellor, to present the second legislative report for the 2011-2012 session.

Ms. Zamarripa provided updates on some of the issues provided in the written report. She noted that the CSU was successful in getting its sponsored legislation introduced. AB633, which deals with vehicle purchases, is before the Assembly Committee on Business, Professions and Consumer Protection awaiting its first hearing. She also referred to three different measures that pertain to a K-12/Higher Education bond for the November 2012 ballot: AB 822 (Block), SB 292 (Padilla) and SB 736 (Cannella). She stated that the CSU will continue to move these bills forward, but given the state's fiscal condition and debt service levels, the measures will more than likely not go before the voters until the 2014 election. SB 736, which will reduce the CSU's administrative costs by \$2 million, will be heard in the Senate Education Committee on March 30. Additionally, an omnibus bill has been introduced by the Senate Education Committee to ensure that the tech transfer cleanup efforts get taken care of this year.

Ms. Zamarripa further reported that the CSU Office of Advocacy and State Relations (ASR) is working in earnest on an alternative proposal to the auxiliary bill that is responsive to transparency and accountability calls, addresses key issues regarding donor and volunteer privacy, and ensures that CSU commercial operations remain competitive without jeopardizing the non-state status of those bodies. The bill is not yet in print.

Assembly Bill 194 (Bell), which provides foster youth with priority registration at CSU campuses, was cited by Ms. Zamarripa as one of the changes that took place since the printing of the report. The CSU's position on this bill has changed from pending to support.

Ms. Zamarripa relayed that much time is being spent in Sacramento discussing the CSU's graduation initiative and Early Start program. The ASR has been successful in educating every member of the tri-caucus as it relates to the value of what the graduation initiative will provide to the students; although this has raised the ire of some legislators. AB 1237, in particular, Assembly Member Brian Nestande's bill, would prohibit the CSU from providing remedial instruction. The CSU will oppose this bill as it is not consistent with the CSU's policy or objectives to try to reduce the level and the number of students who need remedial assistance.

Ms. Zamarripa relayed the good news that Senator Carol Liu has dropped the student fee policy bill as she now realizes the volatility and the instability that the CSU faces in managing the institution, and trying to put into place any kind of statutory fee policy that would restrict the CSU's options in the context of not having a true commitment from the state is not worthwhile.

Ms. Zamarripa spoke about SB 483, a bill reintroduced by Senator Ron Calderon, to prohibit the CSU from providing summer sessions and charging a higher fee than the regular academic year. The CSU's position is that if there is no state support for summer session, higher fees will have to be enforced. The CSU's intent is to try and offer as many courses and programs to students when they are there, and not deny students who want the opportunity to continue to work through the summer.

Ms. Zamarripa noted that two successful sessions were held with faculty and students from the campuses' COAST program that had the chance to meet with legislators. The campuses have now been asked to participate in a couple of different hearings dealing with resources and coastal issues, which is an indication that the CSU is making headway in teaching people what the CSU's faculty and students are doing in the applied research areas that are so important to California.

Ms. Zamarripa announced that the second annual intersegmental joint advocacy day is scheduled for April 5, 2011. Teams from the CSU, UC and CCC are convening in Sacramento on that day with leaders from the CSSA, the Academic Senate and the Alumni Council who will join the Chancellor and others in making the case for higher education for now and in the future.

Trustee Achtenberg asked for an explanation on the motivations behind the bill to prohibit the CSU from offering remedial courses to its students. Ms. Zamarripa stated that this was not the first time that such a proposal has been introduced. The perception is that prohibiting remedial courses will be a way to save revenue. The CSU has articulated to the legislature the issues surrounding Early Start and that it spends \$30 million for remedial assistants to students. Since AB 1237 was introduced by Assembly Member Nestande, a new member in the legislature, ASR staff will attempt to discuss this issue with him in greater detail.

The committee recommended approval of the proposed resolution (RGR 03-11-04) adopting the 2011-2012 Legislative Report No. 2.

Trustee Mehas adjourned the committee.

COMMITTEE ON GOVERNMENTAL RELATIONS

2011-2012 Legislative Report No. 3

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Karen Y. Zamarripa
Assistant Vice Chancellor
Advocacy & State Relations

Summary

This item contains an update on the Board of Trustees' 2011 Legislative Program and several of the bills that may be of interest to the CSU.

Board of Trustees Sponsored Measures

AB 633 (Olsen) California State University: Acquisition or Replacement of Motor Vehicle: This measure permanently authorizes the CSU to purchase vehicles, an authority that is set to expire next spring.

Status: This measure passed out of the Assembly on its consent file and has gone to the Senate for referral to a policy committee in that house.

AB 822 (Block) Public Postsecondary Education Facilities: Kindergarten-University Public Education Facilities Bond Act of 2012: This legislation would propose a four-year K-12/Higher Education bond measure for the November 2012 ballot.

Status: This measure was set to be considered by the Assembly Higher Education Committee, but a hearing date has not yet been set. Given the State's ongoing fiscal crisis it may become a two-year bill at the request of the author.

SB 997 (Wagner) Bill Professional Fiduciaries: This measure removes an unnecessary regulatory burden and clarifies existing law as it pertains to the administration of charitable trusts.

Status: The measure passed out of the Assembly Judiciary Committee on a vote of 10-0 and was heard in the Assembly's Business and Professions Committee in April 2011.

SB 292 (Padilla) Public Postsecondary Education: Community Colleges: Transfer: This measure has been introduced as an amendment to last year's transfer agreement measure (SB 1440) by Senator Alex Padilla.

Status: This measure will be heard in the Senate Education Committee in May 2011.

SB 736 (Cannella) California State University: Trustees: This proposal would eliminate time-consuming independent campus audits that are duplicative of our systemwide audits, reducing administrative costs of \$2 million a year. This proposal would have no effect on auxiliary organizations as an independent audit would still be required on every auxiliary in accordance with Education Code.

Status: This measure passed out of the Senate Higher Education Committee with unanimous support (9-0) and will now be heard in the Senate Appropriations Committee.

SB 940 (Committee on Education) Public Postsecondary Education: Students: This proposal will clarify that the priority enrollment currently provided to veterans would not be altered by the recently enacted SB 1440, the community college transfer measure of 2010.

Status: This measure will be heard in May 2011 in the Senate Education Committee.

Other Legislative Measures of Interest to The CSU

AB 2 (Portantino) Postsecondary Education: Educational and Economic Goals for California Higher Education. This bill proposes a statewide accountability framework for higher education similar to prior legislation.

CSU Position: WATCH
Status: This measure was passed out of the Assembly Committee on Higher Education. It was then referred to the Appropriations Committee where it was placed on the suspense calendar due to costs to the higher education segments, which will be taken up at the end of May.

AB 7 (Portantino) State Employment: Salary Freeze: This is the third attempt to restrict salary increases for state employees who earn more than \$150,000 a year and are not part of collective bargaining agreements.

CSU Position: OPPOSE
Status: This measure was passed out of the Assembly Committee on Public Employees Retirement and Social Security on a vote of 4 to 1, with one Republican abstaining. This measure was also placed on the Assembly Appropriations Committee's suspense calendar as it would cost the system at least \$3.1 million to implement.

AB 24 (Block) California Postsecondary Education Commission: Feasibility Study: Chula Vista: This measure would direct the California Postsecondary Education Commission (CPEC) to study and report on the feasibility of establishing a higher education campus at Chula Vista.

CSU Position: NO OFFICIAL POSITION
Status: This measure was referred to the Assembly Committee on Higher Education, but has not yet been set for a hearing.

AB 63 (Donnelly) Public Postsecondary Education: Tuition And Fees: This measure would repeal the law established by AB 540 (Firebaugh, Chapter 814, Statutes of 2001), which provides that any student that has attended a California high school for at least three years and graduated pay in-state tuition.

CSU Position: OPPOSE
Status: This measure failed passage in the Assembly Higher Education Committee.

AB 130 (Cedillo) Student Financial Aid: Eligibility: California Dream Act of 2011: This measure modifies AB 540 by allowing financially needy students to receive scholarships from a public postsecondary institution if funded by non-state sources.

CSU Position: SUPPORT
Status: This measure was approved by both Assembly Committees on Higher Education and Appropriations and is pending action by the full house.

AB 131 (Cedillo) Student Financial Aid: This measure would expand the existing number of students eligible to participate in the program created by AB 540 by adding adult education or trade school graduates as students who pay the in-state tuition/fees as long as they have attended school in California for three years, with one of those years being at high school. The bill will also allow for those who are part of the pool of students covered by AB 540 to receive state financial aid and institutional aid.

CSU Position: SUPPORT
Status: This measure was approved by the Assembly Higher Education Committee but has been placed on the Assembly Appropriation Committee's suspense file due to costs.

AB 194 (Beall) Public Postsecondary Education: Priority Enrollment: Foster Youth: This measure would require any California State University, University of California or California Community College to provide priority registration for former foster youth.

CSU Position: SUPPORT
Status: This measure was passed out of the Assembly and is now in the Senate awaiting referral to a policy committee.

AB 331 (Brownley) The Leroy F. Greene School Facilities Act of 1998: This measure, authored by the Chair of the Assembly Education Committee, is one of three spot bills introduced that would place on the November 2012 general election ballot a K-12/higher education bond.

CSU Position: WATCH
Status: This measure was referred to the Assembly Committee on Education but has yet to be set for a hearing.

AB 620 (Block) Public Postsecondary Education: Nondiscrimination and Training: Sexual Orientation and Gender Identity: This proposal would require the CSU, along with the other two segments of higher education, to amend its Student Code of Conduct to address harassment, intimidation, and bullying, as well as mandating professional development and training for faculty and administrators.

CSU Position: OPPOSE

Status: This measure was placed on the Assembly Appropriation Committee's suspense calendar due to its costs. The CSU has policies in place to address many of these issues already, but has grave concerns with the fiscal implications related to this bill.

AB 635 (Knight) Veterans' Benefits: Public Postsecondary Education: Mandatory Educational Fees: This measure seeks to align California law with the recently enacted federal benefits for veterans by changing a mandatory fee to tuition.

CSU Position: WATCH

Status: This measure will be heard in the Assembly Higher Education Committee on May 2011.

AB 636 (Knight) Military Service: Benefits: Current law allows a student who is called into active duty by a certain date, to receive a credit toward a future academic term. This proposal would delete the cutoff date and would provide that any refund of fees would have equal value in a future term, regardless of any future tuition/fee increase enacted during the students' absence. The bill would require that the student re-enroll within three years after ending his/her service.

CSU Position: PENDING

Status: This measure will be heard in the Assembly Higher Education Committee on May 2011. This measure could be challenging for our campuses to track and administer given the individual circumstance for each student.

AB 649 (Harkey) Public Postsecondary Education: Veteran's Enrollment: Current law allows a veteran to receive priority registration for courses two years after leaving the military. This proposal would provide priority admission and registration for five years after their departure from the military. The measure was amended to only provide the benefit to Californians.

CSU Position: SUPPORT

Status: This measure was passed out of the Assembly on its consent calendar.

AB 661 (Block) Public Postsecondary Education: San Diego Community College District: Baccalaureate Degree Pilot Program: This measure would provide the San Diego Community College District the authority to offer certain bachelor's degrees as a pilot program for eight years to meet workforce shortages.

CSU Position: WATCH
Status: This measure will be heard in the Assembly Higher Education Committee in May 2011.

AB 670 (Block) California State University: Admission: This measure stipulates that the CSU must have an appeal process in place and notify students of said process to deal with denial of admission to a CSU campus.

CSU Position: PENDING
Status: This measure will be heard in the Assembly Higher Education Committee in May 2011. While CSU has been forced to make many drastic decisions on enrollment due to the State's budget crisis and the lack of general funding provided by the State, the CSU is examining how this measure would work and may provide clarifying amendments before the hearing.

AB 795(Block) Smoke-Free Campuses: This measure is intended to strengthen existing law which authorizes colleges and universities to adopt and enforce smoking and tobacco control policies by providing campuses the authority to issue citations and collect revenue to enforce said policies.

CSU Position: NO OFFICIAL POSITION
Status: This measure was referred to the Assembly Committee on Governmental Organization, but has not had a hearing yet.

AB 844 (Lara) Student Government: Students Qualifying for Exemption from Nonresident Tuition: This measure would allow any student who is eligible to receive the benefit for tuition/fees established by AB 540 be eligible to serve in student government and receive appropriate compensation.

CSU Position: PENDING
Status: This measure is being heard by the Assembly Higher Education Committee in May 2011.

AB 851 (Nestande) Distance Learning: This measure defines distance learning and has numerous reporting requirements for the CSU and other public segments to complete.

CSU Position: PENDING
Status: This measure passed out of the Assembly Higher Education Committee on a vote of 8-0 and will be heard next in Appropriations.

AB 853 (Blumenfield) Public Postsecondary Education: Tuition and Fees: Veterans: This measure would conform state law to federal law regarding enrollment for a member of the military and their dependents. Specifically it would state that they are both entitled to receive the in-state resident fee for as long as they are continuously enrolled, whether they are determined residents under current policy or not.

CSU Position: SUPPORT
Status: This measure was passed out of the Assembly Higher Education Committee on a 9-0 vote and will now be heard in the Assembly Veteran's Affairs Committee in May 2011.

AB 1237 (Nestande) Postsecondary Education: Funding: This measure prohibits the CSU from spending any general fund dollars on remedial programs.

CSU Position: OPPOSE
Status: This measure was set to be heard in the Assembly Higher Education Committee but was made a two-year bill at the request of the author.

AB 1326 (Furutani) California Higher Education Endowment Corporation: Oil and Gas Severance Tax: This measure would impose a 12.5 percent oil severance fee that would be allocated to a newly created California Higher Education Fund Endowment entity that would direct an unspecified portion to the CSU for direct instructional purposes.

CSU Position: NO OFFICIAL POSITION
Status: This measure will be heard in the Assembly Higher Education Committee in May 2011. Assembly Member Furutani has indicated that he is willing to amend the measure to ensure that these dollars would go beyond "direct instructional support" but could be used for all student supportive services. CSU remains concerned that the "supplement, not supplant language" in AB 1326 is still not strong enough to ensure that the CSU would simply receive less from the State's General Fund.

SB 8 (Yee) Public Records: Auxiliary Organizations: This measure would make the CSU's auxiliaries subject to the Public Records Act, as previously attempted with SB 330 in 2010 which was vetoed by the Governor.

CSU Position: OPPOSE
Status: This measure passed out of the Senate Judiciary Committee on a vote of 4 to 1 and will now be heard in the Education Committee in May 2011.

SB 27 (Simitian) Public Retirement: Final Compensation: Computation: Retirees: This measure is similar to a bill that was vetoed last year, and states that the Public Employees Retirement System (PERS) should have a methodology to ensure that an employee does not receive a salary increase solely for the purposes of increasing a retirement package. The bill would also restrict the ability of a retired annuitant to return to work prior to 180 days after their initial separation date.

CSU Position: NO OFFICIAL POSITION
Status: This measure passed out of the Senate Public Employees & Retirement with the Committee. California Faculty Association opposed given the impact on the Faculty Early Retirement Program (FERP). The measure has been placed on the suspense calendar of Senate Appropriations.

SB 181 (Liu) Public Postsecondary Education: Student Fee Policy: This measure would require the CSU, and requests the UC, to pass any tuition/fee increase at least three months prior to its effective date. It also would require/request that the CSU/UC create a methodology for tuition/fee increases. Finally, the measure would require the Legislative Analyst's Office to report annually on the implementation of this proposal. The bill would go into effect the 2012-13 academic year.

CSU Position: WATCH
Status: This measure was made a two-year bill at the request of the author.

SB 185 (Hernandez) Public Postsecondary Education: This legislative measure is an attempt to increase diversity at the CSU and UC by allowing both systems to look at a student's geographic origin and household income in considering admissions. The segments would also be allowed to consider race, gender, ethnicity, and national origin to the extent allowable under the 14th Amendment of the U.S. Constitution and any relevant case law.

CSU Position: NO OFFICIAL POSITION
Status: This measure was heard in the Senate Education Committee in April 2011.

SB 483 (Calderon) The University of California and the California State University: Summer Session Fees: This measure prohibits summer session fees at the UC and CSU campuses from exceeding the fees charged per credit unit for any other academic term.

CSU Position: OPPOSE
Status: The bill, which is sponsored by California Faculty Association (CFA), is now a two-year bill at the request of the author.

SB 612 (Steinberg) Postsecondary Education Instructional Strategies: This measure which is sponsored by the University of California, deletes the sunset clause for the California Subject Matter Projects (CSMP); adds the three remaining projects on Physical Education-Health, Arts, and Foreign Language into statute; and expand the projects' focus to meet the needs of the new economy by including professional development that prepares teachers to deliver career-oriented, integrated academic and technical content curriculum. The CSU provides the majority of the CSMP to the state.

CSU Position: SUPPORT
Status: This measure was heard in the Senate Education Committee in April 2011.

SB 721 (Lowenthal) California Higher Education: Educational and Economic Goals: This measure is the Senate's vehicle for creating a higher education accountability system in California.

CSU Position: NO OFFICIAL POSITION
Status: This measure was heard in the Senate Education Committee in April 2011.

SB 788 (Lowenthal) School Facilities: This proposal is the Senate's vehicle for a possible K-12/higher education bond for 2012. The measure currently contains language dealing with K-12 school facilities and when their existing bond funds will be depleted.

CSU Position: WATCH
Status: This measure is still with the Senate Rules Committee.

SB 813 (Committee on Veterans Affairs) Public Postsecondary Education: Veterans' Enrollment: This measure would grant priority enrollment to members or former members of the Armed Forces of the United States within four years of leaving active duty.

CSU Position: WATCH
Status: This measure advanced out of the Senate Education Committee and will be heard next in the Senate Veteran's Affairs Committee. This measure is duplicative of AB 649 and thus may not advance.

Gov. Rel.
Agenda Item 1
May 9-10, 2011
Page 10 of 10

SB 931 (Vargas) Public Employee Organizations: This bill prohibits public agencies from using public funds to pay outside consultants or legal advisors for the purpose of counseling the public employer about ways to minimize or deter the exercise of rights to organizations representing their employees as guaranteed under the Higher Education Employer Relations Act (HEERA).

CSU Position: OPPOSE UNLESS AMENDED
Status: This measure will be heard in May 2011 in the Senate Public Employees Retirement Committee. CSU staff is working on amendments to remove the CSU's concerns with the bill.

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of The California State University, that 2011-2012 Legislative Report Number 3 is adopted.