

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 2:00 p.m., Tuesday, January 30, 2018
Glenn S. Dumke Auditorium

J. Lawrence Norton, Chair
Douglas Faigin, Vice Chair
Silas H. Abrego
Adam Day
Debra S. Farar
Jean P. Firstenberg
Lillian Kimbell
Thelma Meléndez de Santa Ana
Jorge Reyes Salinas
Romey Sabalius
Lateefah Simon

- Consent** 1. Approval of Minutes of the Meeting of September 20, 2017, *Action*
Discussion 2. State Legislative Update, *Information*
3. Federal Update, *Information*

**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 20, 2017

Members Present

J. Lawrence Norton, Chair
Silas H. Abrego
Adam Day
Rebecca D. Eisen, Chair of the Board
Debra S. Farar
Jean P. Firstenberg
Lillian Kimbell
Thelma Meléndez de Santa Ana
Jorge Reyes Salinas
Lateefah Simon
Steven G. Stepanek
Timothy P. White, Chancellor

Trustee Norton called the meeting to order.

Approval of Minutes

The minutes of July 18, 2017, were approved as submitted.

Legislative Update

Mr. Garrett Ashley, vice chancellor for university relations and advancement, reported that the legislative session concluded last Friday, and there are more than 700 bills awaiting the governor's signature or veto.

Ms. Nichole Muñoz-Murillo, director of state relations, provided an overview on notable developments in Sacramento during the final months of the session and gave an update on board-sponsored bills and legislation that could impact the CSU.

Trustee Norton adjourned the meeting.

COMMITTEE ON GOVERNMENTAL RELATIONS

State Legislative Update

Presented By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Kathleen Chavira
Assistant Vice Chancellor
Advocacy and State Relations

Summary

The second half of the 2017-2018 session begins with a number of significant changes in the Legislature. The Senate awaits an impending change in leadership as Senate Pro Tempore Kevin de Leon has announced that Senator Toni Atkins will assume the position of Senate Pro Tempore in 2018. Senator Atkins has previously served as Assembly Speaker and as an ex-officio CSU Trustee. While Speaker Rendon continues in his role as the leader of the Assembly, several changes in the leadership and membership of Assembly committees have been announced as a handful of Assemblymembers have resigned from their elected offices. These resignations have also resulted in the loss of the Democratic supermajority, but it could be regained in June, when special elections will be held to fill these vacancies.

The Legislature formally reconvened on January 3 and, consistent with the rules of each house, has until January 31 to pass any bills introduced in 2017 (two-year bills) out of the house of origin. This will be the final opportunity for these bills to advance during this legislative session. At the same time, members continue to develop proposals for consideration in 2018 and have until February 16 to introduce any new legislation. Any new bills introduced are eligible to be heard by policy committees in each house beginning in March.

This report provides an update on bills introduced in the first year of the session that are still active and that have the greatest potential impact on the CSU.

This report is organized as follows:

1. Active Senate Bills
2. Active Assembly Bills

All bill summaries are accurate as of January 17, 2018.

Active Senate Bills

SB 183 (Lara) – State Buildings: Federal Immigration Agents

This bill prohibits federal immigration enforcement agents, officers, or personnel from entering a building owned by the state, including the California State University, in order to perform surveillance, effectuate an arrest, or question an individual, without a valid federal warrant.

- **CSU Position:** Pending
- **Status:** This two-year bill is awaiting action on the Senate Floor.

SB 244 (Lara) -- Privacy: Agencies: Personal Information

This bill restricts the manner in which any state entity, including the CSU, can utilize and keep personal information received from an applicant for public services or programs.

- **CSU Position:** Support
- **Status:** This bill is on the Assembly Inactive File.

SB 320 (Leyva) -- Public Health: Postsecondary Education: On Campus Student Health Centers: Abortion by Medication Techniques

This bill requires the CSU and UC campuses' health centers to offer abortion by medication to its students by January 2022, if adequate private funding has been collected by the State Treasurer's Office. The Treasurer and a newly created council are responsible for ensuring training and medical equipment are provided to each campus that requests support through a grant proposal process. While community colleges and other private universities are not mandated to provide this service, they may seek a grant after the CSU and UC campuses are funded for this purpose.

- **CSU Position:** Pending
- **Status:** This two-year bill is on the Senate Appropriations Committee Suspense File.

SB 573 (Lara) – Student Financial Aid: Student Service Programs

This bill authorizes the three segments of public higher education to provide student service programs for students in exchange for grants, fee waivers and reimbursements.

- **CSU Position:** Neutral
- **Status:** This bill is on the Assembly Inactive File.

SB 577 (Dodd) – Community College Districts: Teacher Credentialing Programs of Professional Preparation

This bill expands the authority to offer professional preparation for teacher credentialing programs to include campuses of California Community Colleges.

- **CSU Position:** Oppose
- **Status:** This bill was set but never heard by the Assembly Higher Education Committee.

SB 691 (Lara) – Educational Equity: Immigration Status

This bill adds “immigration status” to the list of characteristics for which equal rights and opportunities are provided at postsecondary educational institutions in California.

- **CSU Position:** Pending
- **Status:** This two-year bill will be heard by the Senate Appropriations Committee on January 18.

SB 769 (Hill) – CCC Baccalaureate Degree Pilot Program

This bill extends the sunset date of the California Community College Baccalaureate Degree Pilot Program from 2023 to 2028.

- **CSU Position:** Neutral
- **Status:** This bill was held in the Assembly Appropriations Committee.

Active Assembly Bills

AB 387 (Thurmond) -- Minimum Wage: Health Professionals: Interns

This bill requires all allied health (non-nursing) students be paid California's minimum wage for clinical hours that are needed to complete their degrees. This would increase costs for our allied health programs, reduce access to required clinical placements and could result in the reduced production of allied health workers.

- **CSU Position:** Oppose
- Status: This two-year bill is on the Assembly Inactive File.

AB 809 (Quirk-Silva) – Veterans' Priority Registration for Enrollment

This bill requires priority registration for enrollment for members and former members of the Armed Forces of the United States and the State Military Reserve be applied notwithstanding any other law.

- **CSU Position:** Tracking
- Status: This two-year bill will be heard by the Assembly Appropriations Committee on January 18.

AB 847 (Bocanegra) – Academic Senates: Membership

This bill requires the Academic Senate to post its membership on its website and to also make the demographic information on their membership, including, race, gender and ethnicity available on request.

- **CSU Position:** Neutral
- Status: This bill was set but never heard by the Senate Education Committee.

AB 1062 (Levine) – Trustees of the CSU

The bill allows the second non-voting student member of the Board of Trustees the right to vote as a full member of the Board. The bill also adds an additional faculty member to the Board.

- **CSU Position:** Tracking
- Status: This bill is on the Senate Inactive File.

AB 1231 (Weber) California State University: Support Staff Merit Salary Adjustment

This bill requires the California State University to provide all eligible support staff employees with an automatic merit salary adjustment of 5 percent annually.

- **CSU Position:** Oppose
- Status: This two-year bill will be heard by the Assembly Appropriations Committee on January 18.

AB 1435 (Gonzalez Fletcher) – Student Athletes: The College Athlete Protection Act

This bill creates the Athletic Protection Commission, an 11-member body appointed by the Assembly, Senate and the Governor, with the goal of protecting student athletes. The commission will be funded by fees paid by participating institutions. The commission would have the ability to enact regulations and penalties that could include civil penalties, temporary or permanent employment prohibition in higher education, or other penalties imposed by the commission.

- **CSU Position:** Oppose
- **Status:** This bill was set but never heard by Senate Business, Professions and Economic Development Committee.

COMMITTEE ON GOVERNMENTAL RELATIONS

Federal Update

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

James M. Gelb
Assistant Vice Chancellor
Federal Relations

Summary

This item provides an update on significant developments related to the system's 2017-2018 federal priorities. Information is current as of January 11, 2018.

Background

Last year, the Board approved a Federal Agenda encompassing six broad areas of priority:

- Improve College Access and Completion through Aid to Students
- Prepare Students for College
- Foster Degree Completion for California's Diverse Population
- Educate Students for Tomorrow's Workforce
- Solve Societal Problems through Applied Research
- Enhance Campus Infrastructure, Health and Safety

Consistent with these priorities, the CSU was particularly active in four key federal issue areas in 2017: seeking funding for priority programs; engaging on tax reform legislation; advocating to protect Dreamers; and preparing for the reauthorization of the Higher Education Act.

Funding for Key Programs

This past May, as part of an omnibus spending bill for Fiscal Year 2017, the Congress passed and the president signed legislation to reinstate the Year-Round Pell program on a permanent basis. Restoring Year-Round Pell had been the CSU's top legislative priority for the past several years, and CSU leadership and sustained efforts on this issue made a significant difference. The CSU successfully pushed the broader higher education community to prioritize Year-Round Pell

in ways it previously had not, and raised the level of understanding about the program on the Hill and beyond. In addition, Chancellor White partnered with the University of California and California Community Colleges to promote restoration, and jointly carried the message to senior leaders in Washington with SUNY Chancellor Nancy Zimpher.

Other key CSU priorities were to ensure that Year-Round Pell is available to part-time students as well as full-time students, and that no existing Pell-eligible students lose any benefits as part of renewing Year-Round Pell. The legislation met both of these objectives.

The same omnibus spending measure also included relatively good news on funding of CSU priority programs. For the most part, resources for key Education Department programs were the same or very similar to the previous year. A couple of priority programs, including GEAR UP and TRIO, received increases. The omnibus also provided funding for a cost-of-living increase in the maximum Pell Grant for the 2017-2018 school year. With regard to CSU priorities outside of the Education Department, level funding was provided for the USDA's Education Grants for Hispanic-Serving Institutions program and the Capacity Building for Non Land-Grant Colleges of Agriculture program. Similarly, stable funding was provided to NSF's Louis Stokes Alliance for Minority Participation (LSAMP) program and Robert Noyce Teacher Scholarship program.

Despite the fact that Fiscal Year 2018 began on October 1, 2017, funding for the federal government across all departments remains unsettled, as the Congress struggles to reach a deal on spending limits and priorities. The CSU has been advocating for the Congress to lift tight caps that currently restrict both defense and non-defense spending, robust funding for priority programs, and preserving any surplus funds currently in the Pell program for future needs or enhancements to Pell.

Tax Reform Legislation

Major federal tax reform legislation (HR 1) was enacted in December 2017. While its primary purpose was to overhaul corporate and individual tax rates, the Congress considered several troubling proposals that directly targeted higher education, and others having a significant impact on CSU institutions, students, employees and alumni. During the debate over HR 1, CSU advocacy focused particularly on protecting a range of higher education tax benefits for students and employees that had been proposed for elimination; supporting provisions that encourage charitable giving; and preserving two categories of tax-exempt bonds utilized to support capital improvement projects that were proposed for repeal (advance refunding bonds and private activity bonds).

Because HR 1 was designed to be passed with only Republican votes, CSU advocacy efforts were aimed heavily at California Republicans, including through numerous joint Hill meetings with University of California (UC) colleagues and a joint letter from the CSU, the UC and

California Community Colleges. These efforts were constructive, and the final version of HR 1, while far from ideal, did reflect some relief on CSU priority issues. In a big victory, the final legislation retained all of the student and employee benefits that had been proposed for repeal or limitation. CSU goals on the bond finance provisions saw partial success, as tax exempt status was retained for private activity bonds but not for advance refunding bonds. Efforts by the CSU and others in the non-profit community to promote enactment of a universal, above the line credit for charitable donations were unsuccessful. Because HR 1 doubles the standard deduction, which shrinks the number of taxpayers who would benefit from itemizing charitable donations, the bill's effects on charitable giving remain a subject of serious concern.

Protecting Dreamers

In September, the Trump administration announced that it would rescind the Obama administration's Deferred Action for Childhood Arrivals (DACA) program. The administration cited its belief that the creation of the program by the Executive Branch, as opposed to the Congress, was illegal. At the time, the president called on Congress to "legalize DACA."

Since then, the CSU has engaged on this issue extensively, through outreach to members of Congress and the administration, collaborative endeavors with others in the higher education community, and public affairs efforts that highlight the contributions of Dreamers at the CSU. A key focus has been on garnering support from California Republicans. Chancellor White has also met with Senate Democratic Leader Schumer and House Democratic Leader Pelosi.

While numerous bills have been introduced and many members of Congress on both sides of the aisle would like to see a long-term solution enacted for Dreamers, the timing and terms of any final deal remain uncertain. On the timing front, the president's March 5, 2018 termination date for the DACA program continues to define the sense of urgency for many on Capitol Hill. There has been a push, primarily by Democrats, to connect an agreement on Dreamers to a spending deal that would raise existing caps on spending for Fiscal Years 2018 and 2019.

On January 9, 2018, a federal court issued an injunction temporarily stopping the Department of Homeland Security from terminating the DACA program. The injunction applies nationwide.

Reauthorization of the Higher Education Act

The Higher Education Act (HEA) was first enacted in 1965 "to strengthen educational resources of our colleges and universities and to provide financial assistance for students in postsecondary education." Last reauthorized in 2008, the HEA is now past due for renewal.

During the past year, the CSU has outlined its major reauthorization priorities on the Hill. These include putting the Pell Grant program on long-term sustainable footing, and indexing the maximum grant to inflation; reforming the Supplemental Opportunity Educational Grant (SEOG) and Work-Study programs' outdated funding formula to better target resources to needy students at campuses serving large numbers of low-income individuals; and ensuring that both mandatory and discretionary funding streams for minority-serving institutions, such as Hispanic-Serving and Asian American and Native American Pacific Islander-Serving Institutions, are maintained.

In December, House Republicans on the Committee on Education and the Workforce took an initial step in the long reauthorization process by passing HR 4508, the PROSPER Act (Promoting Real Opportunity, Success, and Prosperity through Education Reform). Drafted without Democratic input, the bill includes many provisions of great concern, along with some good pieces. Major concerns include proposals to eliminate the Supplemental Educational Opportunity Grant (SEOG) and the in-school interest subsidy for undergraduate student loans; elimination of the Teacher Quality Partnership program and the TEACH grant scholarship, programs that currently enhance CSU efforts to prepare high-quality teachers in high-need fields; ending a vital mandatory funding stream for minority-serving institutions; and capping funds for TRIO programs at lower than existing levels while imposing a new match requirement on program participants. Positive concepts include creating a fairer distribution formula for Work-Study funds and eliminating student loan origination fees. The road ahead in the House is uncertain, though committee leadership wants to bring the bill to the floor early this year.

In the Senate, members of the Health, Education Labor and Pensions (HELP) committee will write their own bill. Because the Senate generally needs 60 votes to pass legislation, it typically works to produce bi-partisan measures, especially in the education realm, meaning its proposal will look vastly different from the House effort, particularly with regard to hot button issues. The Senate process will also be slower, given the HELP committee's plans to hold a number of hearings before producing a proposal and crowded committee and floor agendas.