

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 3:30 p.m., Tuesday, May 24, 2016
Glenn S. Dumke Auditorium

Douglas Faigin, Chair
Kelsey M. Brewer, Vice Chair
Silas H. Abrego
Adam Day
Debra S. Farar
Lupe C. Garcia
J. Lawrence Norton
Steven G. Stepanek

Consent Item

Approval of Minutes of the Meeting of March 9, 2016

Discussion Item

1. State Legislative 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**

March 9, 2016

Members Present

Douglas Faigin, Chair
Kelsey Brewer, Vice Chair
Silas H. Abrego
Adam Day
Lupe C. Garcia
Lou Monville, Chair of the Board
J. Lawrence Norton
Steven G. Stepanek
Timothy P. White, Chancellor

Trustee Faigin called the meeting to order.

Approval of Minutes

The minutes of January 27, 2016, were approved on consent.

Legislative Update

Mr. Garrett P. Ashley, vice chancellor for university relations and advancement, and Ms. Nichole Muñoz-Murillo, interim director for advocacy and state relations, presented this item.

Mr. Ashley congratulated trustees Abrego, Day and Taylor, whose nominations to the board were confirmed by a full vote of the State Senate.

Mr. Ashley reported that the legislature reconvened on January 4 to continue work on legislation carried over from 2015 and introduce new legislative proposals for 2016. The deadline to introduce new bills was February 19. Policy committees are beginning their work to consider introduced measures. The legislature has approximately four weeks to consider more than a thousand measures before the next significant legislative deadline on April 22.

Ms. Muñoz-Murillo gave an overview on carry-over legislation, emerging trends and budget advocacy:

- ***Graduation Incentive Grants for CSU students (SB 15 Block)***: Among other provisions, this proposal would provide grants that increase in value as students complete 30 semester units in a college year, thus providing an incentive for students to complete a degree in four years.
- ***CSU Investment Authority (SB 1412 Block)***: This proposal would allow the CSU to invest in mutual funds and real estate investment trusts, with no more than 30 percent of funds placed in these new options. The intent is to boost annual returns, providing funding for CSU deferred maintenance and infrastructure needs.
- ***Lottery Fund Payments (AB 2215 Medina)***: This proposal would make a technical change to government code regarding how the State Controller's Office distributes state lottery funds to the CSU.

Trending topics include affordability, access, student safety, higher education coordination, employee relations and time to degree.

Given the positive feedback from legislators and their staff regarding the Stand with CSU advocacy campaign, the CSU will be employing many of the same successful strategies as last year. The next budget advocacy event will be the joint legislative advocacy day with the California State Student Association at the end of March.

Trustee Faigin requested a board item in May to discuss formalizing procedures for trustee involvement in deciding the CSU position on legislative proposals.

In addition, Trustee Faigin asked Dr. Loren Blanchard, executive vice chancellor for academic and student affairs, to provide an update on bottleneck courses at the May meeting.

Trustee Faigin adjourned the meeting.

COMMITTEE ON GOVERNMENTAL RELATIONS

State Legislative Update

Presentation By

Garrett P. Ashley
Vice Chancellor
University Relations and Advancement

Nichole Muñoz-Murillo
Interim Director
Advocacy and State Relations

Summary

This item contains an update on Board of Trustees-sponsored measures introduced this year, as well as an update on the 2016 Legislative Session. Additionally, staff will provide a verbal update on budget advocacy efforts.

Capitol Context

The second year of the 2015-16 Legislative Session is fully underway. While there are about 500 fewer measures introduced this year, there are an unusually high number of measures that impact higher education, particularly in the Assembly. The bill load was so significant that the Assembly Higher Education Committee – which typically meets every other week – was forced to add an additional hearing to ensure that all referred measures were heard by the policy deadline of April 22. Over three straight weeks, the committee heard about 90 measures, and the last hearing actually had more measures than the Assembly Education Committee, which focuses on K-12 issues and historically has a higher bill count.

Of the bills introduced this year, 256 failed to pass out of a policy committee before the required legislative deadline. The next major legislative deadline is May 27, when fiscal committees decide what bills will advance or be held in the appropriations committees. For bills that advance and pass out of the house of origin, they will be considered in the policy committees of the second house in June.

Update on Board of Trustees Legislative Package

SB 1412 (Block) - CSU Investment Authority

This bill would provide the CSU the potential to increase investment earnings on its funds by creating a balanced investment portfolio. Under current law, the CSU is limited to investing in fixed-income securities. Over a four year phase-in period, the bill would allow the CSU to invest in mutual funds and real estate investment trusts with no more than 30 percent of funds in the new investment options. The intent is to boost funding for CSU deferred maintenance and infrastructure needs through the increased earnings.

Status: The measure was passed by the Senate Education Committee on a unanimous 9-0 vote. The bill was referred to the Senate Appropriations Committee's suspense file.

AB 2215 (Medina) - Lottery Fund Payments

This bill makes a technical change to the Government Code regarding how the State Controller's Office (SCO) distributes state lottery funds to the CSU. This bill removes unnecessary administrative processes currently carried out by staff from both the CSU and SCO.

Status: The measure is currently awaiting action on the Assembly Floor.

Other Measures of Interest to the CSU

AB 1582 (Allen) - Conflict of Interest: Public Postsecondary Educational Institutions

The measure would have required all CSU faculty to file a Fair Political Practice Commission (FPPC) form 700 disclosing whether or not they received compensation for the selection of their course materials. Currently, some CSU employees file a form 700, but the count would increase from around 2,700 filings to approximately 29,000 if the measure were to be enacted.

CSU Position: NO OFFICIAL POSITION

Status: The measure would have likely been expensive to the segments and for FPPC to implement. As such, the author chose to not move the bill forward, allowing AB 2214 to serve as the primary measure on this subject for the session. This bill is dead for the session.

AB 1594 (McCarty) - Prohibition of Smoking on Campus

This measure would prohibit smoking, including e-cigarettes, on all public postsecondary institutions and would allow campuses to take certain actions to enforce the ban.

CSU Position: NO OFFICIAL POSITION

Status: The CSU is currently in the process of drafting a policy for the system, which is anticipated to be similar to the language found in AB 1594. It should be noted that any policy adopted by the system would have to be collectively bargained with all bargaining units. The measure passed the Assembly and will be heard in the Senate Education Committee in June.

AB 1721 (Medina) - Cal Grant Program

The bill makes several expansions of the Cal Grant program, including increasing the authorized Cal Grant B access award to \$3,000. These grants can be used by students for tuition fees or other college costs, such as textbooks. The final award amount would continue to be adjusted through the annual Budget Act and is currently established at \$1,648. The bill would also extend the qualifying age limit for a CCC Transfer Entitlement Program award from 27 to 30, and would increase the number of new Competitive Cal Grant awards from 25,750 to 30,000 annually.

CSU Position: SUPPORT

Status: The measure was passed out of the Assembly Higher Education Committee and is currently in the Assembly Appropriations Committee's suspense file.

AB 1726 (Bonta) - Asian Pacific Islander Data Collection

This measure would require the California Community Colleges (CCC) and the CSU, and request the University of California (UC), to provide disaggregated data on Asian Pacific Islanders who are admitted to their systems.

CSU Position: SUPPORT

Status: The measure passed out of the Assembly Health and Higher Education Committee and is currently in the Appropriations Committee's suspense file.

AB 1747 (Weber) - Higher Education Food Assistance

This measure requires, as a condition of participation in the Cal Grant program, each public and private postsecondary educational institution to ensure that on each campus there is access to surcharge-free transactions using the electronic benefits transfer (EBT) system and mandates that they apply to the Restaurant Meals Program if their county participates in this program. This measure would also make public postsecondary institutions eligible entities to partner with local governments to apply for federal matching funds to conduct Cal Fresh outreach activities. The CSU is currently assessing how the bill's provisions may effect campus auxiliary organizations, including potential costs to lease or purchase equipment and subsequent installation. The CSU continues to work with the author's staff, and if it is determined that this will not unduly impact CSU campuses, the CSU intends to move to a "SUPPORT" position.

CSU Position: NO OFFICIAL POSITION

Status: The measure passed out of the Assembly Human Services and Higher Education Committee and is now awaiting action by the Assembly Appropriations Committee.

AB 1756 (Bonilla) - Teacher Credential: Integrated Programs for Professional Preparations

This bill provides one-time grant funding of up to \$10 million to support post-secondary institutions in creating and expanding integrated/blended teacher credentialing programs. The goal would be to recruit teachers to these programs which can provide an undergraduate degree and credential program in five years or less.

CSU Position: SUPPORT

Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 1778 (Quirk) - Sexual Assault and Violence Training

This measure would require CSU and all state institutions of higher education to conduct annual training, which is consistent with our current policies.

CSU Position: NO OFFICIAL POSITION

Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 1837 (Low) - Office of Higher Education Performance and Accountability

The measure is intended to create a successor to the California Postsecondary Education Commission (CPEC). However, this bill currently does not provide segment representation to the newly created entity. The CSU has asked that the system have a seat on the governing body, consistent with the other segments of higher education.

CSU Position: SUPPORT IF AMENDED

Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 1914 (Bonilla) - Public Postsecondary Education: Access Codes

This measure, sponsored by the California State Student Association (CSSA), would prohibit a student from having to buy a book that was bundled with an access code if a free online resource is already available that provides the same purpose. It also requires that the campus bookstore must send faculty a cost of the last version of the book they intend to use for their course before they choose course materials for the next term. The measure also prohibits a bookstore from posting that materials offered for a course are "required" unless the faculty assigning the materials approves of such a posting.

The CSU has been working closely with the author and all the other interested parties to address how students can save money on the course materials they need for education. The CSU has been a leader on this issue and appreciates the work of the author and CSSA on this matter.

CSU Position: NO OFFICIAL POSITION
Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 1936 (Chavez) – Public Postsecondary Education: Dependents of Armed Forces Members

This measure would change the time of residency determination for dependents of a member of the Armed Forces from the time of enrollment to the time of admittance. This seeks to ensure that college-going students who live in California do not lose their residency status between the time they are admitted and the time they begin college if their family is relocated outside the state. The measure is narrowly crafted to address this specific issue and will help ensure current California students do not have to pay out-of-state tuition for reasons outside their control.

CSU Position: SUPPORT
Status: The measure is currently awaiting action on the Assembly Floor.

AB 2017 (McCarty) - College Mental Health Services Program

This measure would allow CSU, CCC and UC campuses to submit proposals to augment their mental health services using money from Proposition 63, the mental health initiative. It would require a dollar-for-dollar match with a maximum of \$5 million provided to a campus. The measure would be in place until 2022 and would have a pool of \$40 million a year.

The CSU has been working with the author and sponsor to amend the measure to allow campuses to use the funds for direct services and not just for outreach. The CSU has also asked that a campus could pledge in-kind resources, such as office space, as part of their dollar-to-dollar grant. The author committed to taking amendments that address these issues. The CSU anticipates moving to a "SUPPORT" position in the near future.

CSU Position: NO OFFICIAL POSITION
Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 2019 (Santiago) – California State University: Automatic Salary Adjustment for Faculty

This measure, which is sponsored by the California Faculty Association (CFA), would provide CSU faculty with an annual automatic salary adjustment of either 2.65% or California's Consumer Price Index (CPI), depending on which is higher each year. The California State University Employees Union (CSUEU) has requested an amendment to add themselves to the provisions of the measure as well.

CSU Position: OPPOSE
Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 2064 (Allen) - Postsecondary Tuition Fee Freeze

This measure would have required the CSU to freeze its fees for first-time freshmen, allowing for a change in those fees only after four years have passed or if the CPI has increased from one year to the next.

CSU Position: OPPOSE
Status: The bill failed passage in the Assembly Higher Education Committee.

AB 2154 (Medina) - California Student Aid Commission: Student Members

The measure, sponsored by CSSA, would allow a student member of California Student Aid Commission (CSAC) to continue serving past their two-year term expiration, if the Governor has not named a replacement. The measure also requires their university to waive their tuition during their term on the commission.

CSU Position: SUPPORT
Status: The measure passed the Assembly and will be considered by the Senate Education Committee in June.

AB 2163 (Low) - Appointment of CSU Campus Presidents

The measure, sponsored by CFA, would prohibit the Board of Trustees from naming a campus president until the prospective candidate has visited the campus and held a public forum.

CSU Position: OPPOSE
Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 2164 (O'Donnell and Cooper) - Public Postsecondary Education: Tuition and Fees

Currently, the CSU is required to provide a systemwide tuition fee waiver to any surviving spouse or child of a deceased public safety officer who died as a result of their official duties. This measure would extend this benefit to any mandatory tuition and fees, including campus-based fees. The measure also expands the benefit to deaths as a result of an industrial injury or illness arising out of their duties, for both systemwide and campus-based mandatory fees. It should be noted that the CSU used to receive a backfill from the state for this lost revenue to the system, but that ended in 1992-1993.

CSU Position: NO OFFICIAL POSITION

Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 2181 (Brown) - Public Contracts: Greenhouse Gas Emission

This measure would require the CSU, UC and all state agencies to submit a report to the Legislature on the greenhouse gas emissions associated with any infrastructure project that costs more than \$1 million. It would require that these standards be incorporated into procurement processes.

CSU Position: NO OFFICIAL POSITION

Status: The measure passed out of the Assembly Accountability Committee and is awaiting action by the Assembly Appropriations Committee.

AB 2183 (Gatto) - California State University: Personal Service Contracts

The proposal would require the CSU to do a very lengthy cost-benefit analysis for any personal service contract awarded in a manner that is almost identical to what is required for state agencies who are covered by the Civil Service Act. The CSU has always been excluded from the Civil Service Act because of its unique nature and its governing board process.

Protections for CSU employees on the matter of contracting out are very strong due to the Higher Education Employer-Employee Relations Act (HEERA), collective bargaining and the Personal Employee Relations Board (PERB). This proposal would forever alter the system's ability to operate, without a clear reason for why such a punitive action should be taken.

CSU Position: OPPOSE

Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 2210 (Harper) - Student Success Fee

This proposal would have required a 2/3 vote of the student body to approve a new student success fee.

CSU Position: OPPOSE

Status: The bill failed passage in the Assembly Higher Education Committee.

AB 2214 (Harper) - Faculty Royalty Income Disclosure

This measure would require all public segments of education, including the CSU, to create a form, at their discretion, that would have faculty disclose all income received for royalties or consulting they provided.

CSU Position: NO OFFICIAL POSITION

Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 2222 (Holden) - Transit Passes

The measure would redirect \$50 million annually from the Greenhouse Gas Reduction Fund to support transit pass programs with the goal of providing free or reduced transit passes for specified K-12 students and higher education students, including CSU students.

CSU Position: SUPPORT
Status: This measure has been referred to the Assembly Appropriations Committee's Suspense File.

AB 2294 (Gomez) - California State University: Leave of Absence Union Work

This measure, sponsored by CFA, would require the Board of Trustees to grant a leave to any union members so that they can serve as an elected board member on a campus, statewide or national public union, regardless of related provisions of the collective bargaining agreement. It should be noted that the measure does not acknowledge that the collective bargaining agreements for our unions allow a specific number of employees to leave for whatever purpose they deem appropriate. For example, CFA currently is provided 16 leaves, without question, but have never used all of these positions.

CSU Position: OPPOSE
Status: The measure is currently awaiting action on the Assembly Floor.

AB 2317 (Mullin) - California State University: Doctor of Audiology Degrees

This measure would authorize CSU campuses to offer a doctoral degree in audiology. The national standard for this degree has become a doctoral degree, which forced the CSU to close their related masters' level programs.

CSU Position: NO OFFICIAL POSITION
Status: The measure is currently awaiting action on the Assembly Floor.

AB 2386 (Williams) - California State University: Trustees

This measure, sponsored by CSUEU, would take one of the Governor's 16 appointed public members and repurpose this seat to add a represented non-faculty member to the board. This new member would be appointed by the Governor from a pool of at least two non-faculty represented employees who would be chosen by a staff council that would be funded by the unions that represent non-faculty employees. The measure would also undo changes made to the faculty trustee term, which ensured an academic voice would always be represented on the board. That change was made by AB 2324, which was co-sponsored by the board at the request of the Academic Senate.

CSU Position: OPPOSE UNLESS AMENDED

The CSU is requesting that the measure be amended to broaden the definition of non-faculty representative to include all staff, both represented and non-represented, with the exception of presidents, vice presidents and deans. The CSU has also asked for amendments that would allow the chancellor to form the Staff Council in a manner consistent with the Academic Senate and remove the requirement that the council be paid for by collective bargaining units. Finally, the CSU has asked that the changes to the term of the faculty trustee be deleted from the bill.

Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

AB 2455 (Chiu) - Automatic Student Voter Registration Program

The measure would have mandated that data collected from CSU Mentor be provided to the Secretary of State's (SOS) office to ensure that as many Californians as possible were registered to vote. Issues were raised pertaining to the federal Family Educational Rights and Privacy Act (FERPA) as the data collected by the CSU and other segments might not be the same as what is required by the SOS. The measure now requires the segments to implement a process with the SOS to allow a student to submit an affidavit of voter registration electronically.

CSU Position: NO OFFICIAL POSITION
The CSU will continue to work with the author to get a better understanding of how the measure will be implemented, should the bill become law.

Status: The measure is currently awaiting action on the Assembly Floor.

AB 2786 (Chavez) - Public Postsecondary Education: Four Year Degree

This measure would require the University of California and CSU to establish four-year pledge programs on all campuses. The bill specifies that should a participating student meet continuing eligibility requirements and not graduate in time, they would be eligible to complete their degree for free.

CSU Position: NO OFFICIAL POSITION
Status: The bill was referred to the Assembly Appropriations Committee's suspense file.

SB 15 (Block) - Postsecondary Ed: Financial Aid: Graduation Incentive Grant Program

Among other provisions, SB 15 would establish Graduation Incentive Grants for CSU students. These grants would increase in value as students complete 30 semester units in a college year, thus incentivizing students to complete a degree in four years. The bill also contains other provisions that would expand other financial aid programs.

CSU Position: SUPPORT

Status: The measure was passed out of the Senate last year and is awaiting action in the Assembly.

SB 893 (Nguyen) - Postsecondary Tuition Fee Waivers

The measure would prohibit the CSU from collecting systemwide tuition fees for the surviving dependents of the December 2015 terrorist attack that took place in San Bernardino, if they meet the Cal Grant A eligibility requirements.

CSU Position: NO OFFICIAL POSITION

Status: The bill was referred to the Senate Appropriations Committee's suspense file.

SB 906 (Beall) - Public Postsecondary Education: Priority Enrollment

This measure would remove the sunset on a program that provides priority enrollment for former foster youth at the CSU and other public segments. The current sunset expires in 2017.

CSU Position: SUPPORT

Status: The measure has passed out of the Senate and is now in the Assembly.

SB 1050 (De León) - K-12 College Readiness Block Grant

This measure would establish the K-12 College Readiness Block Grant, which awards grant funding to schools to provide administrators, counselors and teachers with strategies for improving A-G course completion rates, college readiness and college-going rates for traditionally underrepresented students. This measure provides a strategy to improve college readiness that coincides with efforts the CSU has undertaken to improve college-going rates and lower remediation needs for underserved students. This bill also requires the University of California, as a condition of receiving enrollment funding in the budget, to increase the admissions of students from high schools that enroll 75 percent or more low-income, English learner, and/or foster youth students.

CSU POSITION: NO OFFICIAL POSITION

STATUS: The measure passed out of the Senate Education Committee and is awaiting action by the Senate Appropriations Committee.

SB 1359 (Block) - Public Postsecondary Education: Education Materials: Textbooks

This measure would require that all public postsecondary institutions post the cost for required course materials in the schedule of courses. Should the cost not be available, then the campus must put an estimate of the costs for materials in the schedule.

CSU Position: NO OFFICIAL POSITION

The CSU is working with the author on the measure as it moves forward. A slightly different approach than AB 1914, it is intended to provide more

transparency for a student choosing a class, allowing them to use course material costs as a factor. The disclosure textbook cost is currently required by federal law, but that law does not require the disclosure to appear in the campus course schedule, which may have a modest cost to the system to implement and update for every term.

Status: The bill was referred to the Senate Appropriations Committee's suspense file.

SB 1450 (Glazer) - The California Promise

This bill would have required the board to establish a California Promise Program at a minimum of one CSU campus. The campus would enter into a pledge with a student who, if they satisfy program eligibility, would receive various incentives including: a tuition freeze, priority registration and a prohibition from the campus charging the student for any necessary course that was needed to complete the degree after four years.

CSU Position: SUPPORT IF AMENDED

The elements of the California Promise Program were largely consistent with the existing pledge programs at four CSU campuses (Fresno, San Bernardino, Fullerton and Cal Poly Pomona), with the exception of the tuition freeze. CSU staff informed the author that if the tuition freeze were to be removed from the bill, staff would be able to support it.

Status: The measure failed to pass out of its first policy committee.