

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 3:30 p.m., Tuesday, May 15, 2001
Glenn S. Dumke Conference Center

Martha C. Fallgatter, Chair
Roberta Achtenberg, Vice Chair
Debra S. Farar
Bob Foster
Murray L. Galinson
William Hauck
Neel I. Murarka
Dee Dee Myers
Ralph R. Pesqueira

Consent Items

Approval of Minutes of Meeting of March 21, 2001

Discussion Items

1. 2001-2002 Legislative Report No. 3, *Action*

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

**Trustees of the California State University
California State University, Long Beach
University Student Union
1212 Bellflower Boulevard
Long Beach, California**

March 21, 2001

Members Present

Martha C. Fallgatter, Chair
Debra S. Farar
Murray L. Galinson
Laurence K. Gould, Jr., Chair of Board
William Hauck
Neel I. Murarka
Dee Dee Myers
Charles B. Reed, Chancellor

Members Absent

Roberta Achtenberg, Vice Chair
Bob Foster
Ralph R. Pesqueira

Other Trustees Present

William D. Campbell
Daniel N. Cartwright
Harold Goldwhite
Shailesh J. Mehta
Frederick W. Pierce IV
Ali C. Razi
Stanley T. Wang

Chancellor's Office Staff

David S. Spence, Executive Vice Chancellor, Chief Academic Officer
Richard P. West, Executive Vice Chancellor, Chief Financial Officer
Christine Helwick, General Counsel
Jackie R. McClain, Vice Chancellor, Human Resources

Gov. Rel.

Freda Otto, Administrative Officer in Charge, University Advancement

Karen Yelverton Zamarripa, Assistant Vice Chancellor, Governmental Affairs

Chair Fallgatter called the meeting to order at 10:22 a.m.

Approval of Minutes

The minutes of January 24, 2001 were approved.

2001-2002 Legislative Report No. 2

Chair Fallgatter announced Ms. Karen Yelverton Zamarripa, assistant vice chancellor, governmental relations, would present a report on bills of significant interest to the CSU as well as a brief update on current legislative activities in Sacramento.

Ms. Yelverton Zamarripa opened her remarks by thanking and acknowledging everyone who participated in the successful CSU Legislative Day held in Sacramento on Monday, March 12, 2001. She has had very positive feedback from legislators who had the opportunity to spend the day learning more, and hearing about, the successes of the CSU system.

As indicated in her report to the board in January, the primary focus in Sacramento continues to be on the energy crisis. There continues to be a great deal of discussion on needed revenues and how to solve this problem over the short and long-term for California.

Ms. Yelverton Zamarripa noted there have been a series of informational hearings through efforts by Senator John Vasconcellos as Chair of the Senate Education Committee, along with the higher education and education committees in the assembly, to address issues relating to some of the challenges in education today. In most cases those hearings have focused on K-12 education, low performing schools, training of teachers and administrators, and the future as it relates to standards and testing.

Ms. Yelverton also noted Chancellor Reed and Executive Vice Chancellor Spence were in Sacramento in early March to participate in a hearing dedicated to the training of public school administrators. She reported the chancellor did an outstanding job in outlining the need for, and the CSU's role in, the education doctorate.

Activity in Sacramento will be minimal from now until mid-April due to legislators' trips to Washington, DC and Easter break. Lengthy committee hearing agendas are anticipated to commence on all of the major bills affecting CSU by the week of April 16, 2001.

Items of note included:

The naming of a subcommittee for the senate education committee dedicated to higher education. Senator Jack Scott will chair that subcommittee. The subcommittee will not have authority to

hear bills, but will guide policy advice to the full committee as it relates to higher education. She indicated all CSU sponsored bills have been introduced and are in the process of being heard.

Two of CSU's bills have been introduced as committee bills. This is a new process that basically allows a full committee to author a bill in turn facilitating more rapid movement through channels. The two bills are, the CSU omnibus bill (Assembly Higher Education Committee) and, the direct vendor pay bill (Assembly Jobs, Economic Development, and the Economy Committee).

SB 713 (Alpert) – Under the authority delegated to the Chancellor by the board, the bill introduces the first step in discussing the education doctorate at the CSU and in higher education overall, in California. The bill would be a two-year bill in accordance with the master plan process. CSU is working diligently with members of the legislature and educational organizations throughout the state in development of this proposal. It is hoped to obtain approval before the end of this legislative session.

Other issues of interest in Sacramento include significant activity in the area of employee relations and collective bargaining. At the moment there are approximately eight to twelve bills that range from dealing with the appointment of campus presidents by the board, to contracting out, to processes under HEERA. Nursing programs, off-campus and joint facilities and programs, will also be areas of particular focus.

Housing will be another important issue. CSU is working with the UC and others to help sort out how we finance and support development of affordable housing for faculty, staff, and students. Also of interest is AB 75, which recognizes CSU's role in collaboration with the public schools in the training of administrators. The bill could be an opportunity for CSU to provide a major professional program to help prepare and support administrators in our public schools.

Trustee Vitti asked for clarification of the intent of AB 877. Ms. Yelverton Zamarripa said the bill, which is sponsored by the California Faculty Association (CFA), would alter the board's authority in seeking its professional leaders. She was not clear on the exact nature of their concerns and has asked CFA to identify them. Nevertheless, she has indicated opposition to the bill.

Trustee Pierce observed there are a significant number of bills introduced this year, to which the board will most likely be vehemently opposed. He suggested the board may want to step-up its efforts and involvement in the process to assist Ms. Yelverton Zamarripa and her staff in conveying the appropriate message.

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Gov. Rel.

The committee recommended approval of the proposed resolution (RGR 03-01-03).

The meeting adjourned at 10:33 a.m.

COMMITTEE ON GOVERNMENTAL RELATIONS

2001-2002 Legislative Report No. 3

Presentation By

Karen Yelverton Zamarripa
Assistant Vice Chancellor
Governmental Affairs

Summary

This item contains a status report on the Trustees' Legislative Program for 2001, and priority legislation introduced this year.

Background

The following bills comprise the Trustees' Legislative Program for 2001 (status of bills is indicated as of 4/24/01):

Senate Bill 277 (Chesbro) Public Employee Health Care Benefits: Rural Areas: State University Employees. This bill would make employees of the California State University eligible to access the Rural Health Care Equity Trust Fund, which provides subsidies and reimbursements for health care costs incurred by state employees and annuitants who live in rural areas where there is no available health maintenance organization (HMO) plan that has been approved by the Public Employees' Retirement System (PERS) Board of Administration.

Status: Approved by the Senate Public Employment and Retirement Committee, April 3. Set for Hearing in the Senate Appropriations Committee, April 30.

Senate Bill 323 (O'Connell) California State University: Real Property Exchange. Senate Bill 323 would authorize the CSU to acquire approximately 75 acres of farmland adjacent to the main campus at CSU, Channel Islands, in order to develop a primary access road and athletic fields, in exchange for a portion of a 262-acre site, located eight miles northwest of the main campus. The CSU obtained this 262-acre site, which is comprised of a 196-acre lemon orchard and 66 acres of row crops, from the state in 1995.

Status: Approved by the Senate Education Committee, April 18. Bill Now Advances to the Senate Appropriations Committee.

Senate Bill 593 (Alarcon) California State University: Real Property Exchange. This bill would authorize the CSU to exchange a 5-acre parcel of land at CSU, Northridge (CSUN), known as Zelzah Court, for the approximately 8.5-acre Prairie Street school site, which is owned by the Los Angeles Unified School District (LAUSD). CSUN will partner with LAUSD to build a small, specialized “academy” high school on the Zelzah Court site that would accommodate 800 students. Construction and operation of the new high school would be the sole financial obligation and responsibility of the school district. In return, the school district would transfer to the university full ownership of the 8.5-acre former Prairie Street School site. Acquiring this property would help round out the perimeter of the campus core, and provide land for hundreds of much-needed new parking spaces for students and others.

Status: Approved by the Senate Education Committee, April 18. Bill Now Advances to the Senate Appropriations Committee.

Senate Bill 713 (Alpert) Doctorate of Education Degree. As introduced, SB 713 requires the state to ensure that a sufficient number of affordable, high-quality opportunities to obtain the doctoral degree in education (Ed.D.) are made available to interested candidates. It is anticipated that the bill will be amended at some point to grant CSU the authority to offer the Ed.D.

Status: The Senate Education Committee’s Subcommittee on Higher Education will consider the Ed.D. issue on May 9.

Assembly Bill 1689 (Assembly Jobs and Economic Development Committee) California State University Direct Vendor Pay. In 1996 the Legislature approved AB 2613 (Aguilar; Chapter 934/Statutes of 1996), which allowed all CSU campuses to pay vendors directly until January 1, 2002. Audits of the Direct Vendor Pay Program by the State Controller’s Office and the Bureau of State Audits indicate that the process has been successful in processing timely payments, without causing material weaknesses in the system of checks and balances over disbursements.

This proposal would permanently authorize the CSU Direct Vendor Pay Program.

Status: Approved by the Assembly Jobs and Economic Development Committee, April 17; Approved by the Assembly Higher Education Committee, April 24. Bill Now Advances to the Assembly Appropriations Committee.

Assembly Bill 1719 (Assembly Higher Education Committee) California State University Omnibus Proposals. This omnibus bill includes several items pertaining to the CSU, including clarification of CSU's procurement and contracting authority by providing a central location for procurement policies applicable only to the CSU. The bill includes other technical, non-controversial items.

Status: Approved by the Assembly Higher Education Committee, April 17; Approved by Assembly Business and Professions Committee, April 24. Bill Now Advances to Assembly Appropriations Committee.

Higher Education Bond Act. The Board has included as part of the Trustees' Legislative Program a proposal to place a higher education bond act on the March 2002 Primary Election Ballot. Three potential vehicles for a Public Education Bond Act have been introduced: Assembly Bill 16 (Hertzberg), Assembly Bill 1299 (Leonard), and Senate Bill 844 (Chesbro).

Status: AB 16 & AB 1299: Approved by Assembly Education Committee, April 18; approved by Assembly Higher Education Committee, April 24. SB 844: Set for Hearing in the Senate Education Committee, April 25.

Priority Legislation (Status as of 4/24/01)

The following bills have been classified as priority legislation because their impact on the CSU would be particularly significant:

Assembly Bill 75 (Steinberg) Principal Training Program. This bill would create the Principal Training Program to provide training for 5,000 school principals and vice principals per year, until all 15,000 school site administrators are trained. The bill would require the Superintendent of Public Instruction, with the approval of the State Board of Education, to administer the program.

Status: Approved by Assembly Education Committee, March 29.
Set for Hearing in the Assembly Appropriations Committee, April 25.

Assembly Bill 195 (Alquist) Student Charges. Assembly Bill 195 would place in statute state policies regarding undergraduate student fees at public higher education institutions. Among those would be a policy that any adjustment in fees should be no greater than the average increase in California per capita personal income.

Status: Approved by the Assembly Higher Education Committee, April 17. Bill Now Advances to the Assembly Appropriations Committee.

Assembly Bill 307 (Pavley) Trustees of the California State University. This bill would increase the membership of the Board of Trustees by requiring the Governor to appoint a nonfaculty employee of the university for a two-year term. AB 307 is a reintroduction of Senate Bill 1604 (O'Connell), which was returned to the Legislature last year after Governor Davis indicated that he would not sign the bill.

Status: Approved by the Assembly Higher Education Committee, April 17. Bill Now Advances to the Assembly Appropriations Committee.

Assembly Bill 338 (Correa) Postsecondary Education: Orange County Project. Assembly Bill 338 would create a demonstration project to address the nursing shortage in Orange County as a public/private partnership. The bill allocate funds to California State University, Fullerton as one of the public partners in the program.

Status: Approved by the Assembly Higher Education Committee, April 17. Bill Now Advances to the Assembly Appropriations Committee.

Assembly Bill 622 (Runner) California State University: Offsite Campus Centers. This bill would require the CSU to adopt a standard system of eligibility for facilities to be defined as permanent, state-supported offsite campus centers, offering educational programs in the upper-division undergraduate and graduate divisions. Those standards would include demonstrable need for expanded higher education opportunities in the region of the proposed offsite campus center.

Status: The author has dropped this bill.

Assembly Bill 662 (Vargas) Minimum Wage: State University Student Assistants. Assembly Bill 662 provides that minimum wage orders of the Industrial Welfare Commission apply to student assistants of the CSU and the University of California.

Status: Pending consideration by the Assembly Labor and Employment Committee.

Assembly Bill 689 (Steinberg) California State University. This bill would enact the Quality of California State University Services through Contractor Accountability Act of 2001. The bill would prohibit the CSU from entering into a privatization contract, unless the university and the contractor comply with prescribed procedures, including the submission of a written statement of services proposed to be the subject of the contract and the solicitation of sealed bids for the contract.

Status: Set but not heard in the Assembly Higher Education Committee. The author has made this a two-year bill.

Assembly Bill 707 (Negrete McLeod) Higher Education Labor Relations. As amended on April 24, AB 707 would authorize employees of CSU auxiliary organizations to collectively bargain with their employer under the Meyers-Milias-Brown Act (MMBA). The bill would exclude from its provisions a) student body organizations and student union organizations, b) persons employed in a unit responsible for fundraising, grants and contract administration; and c) confidential, managerial, and supervisory employees.

Status: Approved (as amended) in the Assembly Higher Education Committee, April 24. Bill Now Advances to the Assembly Appropriations Committee.

Assembly Bill 792 (Kehoe) Public Postsecondary Education: Systemwide Fees. This bill would provide that systemwide undergraduate and graduate fees at the CSU and University of California be reduced to the level charged for the 1991-92 fiscal year, as adjusted by the Department of Finance by an amount reflecting the increases in the California Consumer Price Index occurring during the intervening years.

Status: The author has indicated that she will not pursue AB 792 this year, thereby making it a two-year bill.

Assembly Bill 820 (Shelley) California State University Housing Finance Pilot Program. As amended on April 16, AB 820 would enact the California State University Housing Finance Pilot Program, which would be administered by the California Housing Finance Agency to provide home loan assistance for the CSU system to recruit and retain newly hired professors and faculty at CSU campuses.

Status: The author has indicated that he will not pursue AB 792 this year, thereby making it a two-year bill.

Assembly Bill 877 (Cedillo) State University Chancellor and Campus Presidents. Assembly Bill 877 would prescribe the selection process for Chancellor and campus presidents of the CSU by requiring the field of candidates to be narrowed by a search committee to three finalists or, if only one or two qualified candidates have applied for the position, to one or two finalists. The bill would require that the names of all finalists be disclosed in a press release at least 30 days prior to a final recommendation of one of the finalists by the search committee to the trustees.

Status: Set but not heard in the Assembly Higher Education Committee. The author has dropped the bill.

Assembly Bill 1063 (Aroner) Public Colleges and Universities. This bill would authorize the State Public Works Board to finance the acquisition of sites and the construction, renovation, and equipping of student, faculty, and staff housing facilities on those sites for use by public colleges and universities.

Status: Approved by the Assembly Higher Education Committee, April 17. Bill Now Advances to the Assembly Appropriations Committee.

Assembly Bill 1081 (Nation) California State University Faculty. Assembly Bill 1081 would provide that temporary faculty of the California State University who work 40% of full-time or more, shall not be excluded from membership in the Public Employees' Retirement System if so provided in a collective bargaining agreement or by the Trustees with respect to excluded employees.

Status: Approved by the Assembly Public Employees, Retirement, and Social Security Committee, April 4. Set for Hearing in the Assembly Appropriations Committee, April 25.

Assembly Bill 1342 (Alquist) Professional Services Certificate Program. This bill would require the California State University and the University of California to develop a Professional Services Certificate Program, consistent with the standards of the National Board of Professional Teaching Standards, to produce specially trained teachers to provide California with a cadre of experienced high quality teachers to serve as mentors, supervisors and support providers to novice professionals, especially at low-performing schools.

Status: Approved by the Assembly Higher Education Committee, April 24. Bill Now Advances to the Assembly Appropriations Committee.

Assembly Bill 1611 (Keeley) Affordable Student Housing Program. This bill would establish the Affordable Student Housing Program under the administration of the Department of Housing and Community Development. The bill would charge the department with the responsibility of allocating the monies deposited in the continuously appropriated Affordable Student Housing Fund, as established by the bill, to finance the construction of student housing near the campuses of the California State University and the University of California.

Status: Set for Hearing in the Assembly Housing and Community Development Committee, April 25.

Senate Bill 317 (Ortiz) Nursing Education. Senate Bill 317 would create two programs to increase the number of competent registered nurses who are graduated by California colleges and universities, to provide health care services to people in underserved areas in California: the Registered Nursing Enhancement Grant Program, and the Registered Nursing Loan Forgiveness Program.

Status: Pending consideration by the Senate Health and Human Services Committee.

Senate Bill 327 (Scott) California State University: Biotechnology. This bill would express legislative intent to provide additional state funding to the California State University for development of a bioscience center that would integrate research and innovation, applied workforce training, and incubation of new bioscience enterprises.

Status: Set for Hearing in the Senate Education Committee, May 2.

Senate Bill 457 (Scott) Public Postsecondary Education: Nursing Programs. Senate Bill 457 would require the California Community Colleges and the California State University to standardize all nursing program prerequisites on a statewide basis between the two systems, enter into transfer agreements between all of the universities of the State University and all community colleges statewide, and create and implement a statewide nursing program vacancy information system.

Status: The author has indicated that he will not pursue SB 457 this year, thereby making it a two-year bill.

Senate Bill 494 (Karnette) California State University. This bill would require that, when a campus of the California State University operates on a year-round schedule, the employment standards of each academic employee at that campus who is employed during the extended academic year is to be maintained at the level applied to academic employees in the academic year prior to the commencement of year-round operation.

Status: The author has indicated that she will not pursue SB 494 this year, thereby making it a two-year bill.

Senate Bill 517 (Torlakson) California Postsecondary Education Commission. Senate Bill 517 would require the California Postsecondary Education Commission to consider the development of facilities to be used by more than one segment of public higher education, and to recommend to the Legislature criteria and processes for different segments to utilize bond funds for joint-use facilities.

Status: Approved by Senate Education Committee, April 18. Bill Now Advances to the Senate Appropriations Committee.

Senate Bill 632 (Perata) Mental Health Training. Among other provisions, Senate Bill 632 would require the California State University, in conjunction with the State Department of Mental Health, the State Department of Social Services, county welfare directors and county mental health directors, and the California Council of Community Mental Health Agencies, to develop programs to expand the number of master's degree positions offered in social work, including internships at publicly funded mental health, child welfare, and child protective services programs that utilize social workers. The bill would also require the Department of Corrections, the State Department of Mental Health, and county mental health directors to work in partnership with California State University, Sacramento, community colleges, and other institutions that train nurses, in order to develop a proposal for submission to the Legislature, to increase the number of nurse practitioners who will be qualified to work in publicly funded mental health services.

Status: Approved by Senate Health and Human Services Committee, April 18.

Senate Bill 1070 (Ortiz) Postsecondary Education: Student Aid Commission. This bill, sponsored by Lt. Governor Cruz Bustamante, would establish the College Opportunity Corps Program under the administration of the Student Aid. The mission of the College Opportunity

Corps would be to work with California high schools to educate high school seniors about the new Cal Grant program and to help high school pupils fill out the necessary application forms for that program. The bill would authorize the commission to select no more than 3,000 students for membership in the corps.

Status: Set for Hearing in the Senate Education Committee, April 25.

Senate Bill 1212 (Romero) Higher Education Labor Relations. Senate Bill 1212 would amend the Higher Education Employer-Employee Relations Act (HEERA) to provide that the grievance and disciplinary action procedure established in statute for CSU academic employees may be superseded by a memorandum of understanding (MOU) only if the procedure developed through the collective bargaining process provides a greater level of benefits or rights.

Status: Set for Hearing in the Senate Education Committee, April 25.

Senate Bill 1214 (Romero) California State University: Auxiliary Organizations. This bill would a) require that students comprise a majority on the governing boards of auxiliaries which receive a majority of their funding from student fees; b) place a 2% cap on the amount that student body organizations can be charged for custodial and accounting services; and c) provide that any mandate imposed on a student body organization with “a significant or recurring impact” on the budget of the student body organization be funded by the university rather than the student body organization.

Status: Set for Hearing in the Senate Education Committee, April 25.

The following resolution is presented for adoption:

RESOLVED, By the Board of Trustees of the California State University, that the 2001-02 Legislative Report No. 3 is adopted.