

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 9:30 a.m., Wednesday, November 17, 2004
Glenn S. Dumke Auditorium

Debra S. Farar, Chair
Roberta Achtenberg, Vice Chair
Jeffrey L. Bleich
Herbert L. Carter
Carol R. Chandler
Moctesuma Esparza
Robert G. Foster
George G. Gowgani
Eric Guerra
Ricardo F. Icaza
Melinda Guzman Moore
Frederick W. Pierce, IV
Kyriakos Tsakopoulos

Consent Items

Approval of Minutes of Meeting of September 14, 2004

Discussion Items

1. 2004/2005 Legislative Report No. 12, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON GOVERNMENTAL RELATIONS
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

September 14, 2004

Members Present

Debra S. Farar, Chair
Roberta Achtenberg, Vice Chair
Jeffrey L. Bleich
Herbert L. Carter
Carol R. Chandler
Moctesuma Esparza
Robert G. Foster
Murray L. Galinson, Chair of the Board
George G. Gowgani
Eric Guerra
Melinda Guzman Moore
Frederick W. Pierce, IV
Charles B. Reed, Chancellor
Kyriakos Tsakopoulos

Approval of Minutes

The minutes of July 13, 2004 were approved.

2003/2004 Legislative Report No. 11

Trustee Farar introduced the item, which contained a status report on the trustees legislative program and notable legislation of interest to the California State University.

Ms. Karen Zamarripa, assistant vice chancellor, advocacy and institutional relations, referred the committee to the written report in the agenda item and offered to answer any questions for the Board members and others rather than repeat the information given the lateness of the hour. Ms. Zamarripa said she would provide a comprehensive report on the 2004 legislative session during the November Board meeting. The final 2004 Legislative Report will be released in October.

Trustee Kaiser asked about the status of AB 2339 (Negrete McLeod), which as originally introduced would have allowed ex-officio members of the Board to send designates on their behalf to participate and vote during Trustee meetings. As amended the bill before the Governor requests the University of California Board of Regents, the State Board of Education, and CSU Trustees to coordinate their meeting schedules. Ms. Zamarripa reported that the Governor has not yet acted on the bill.

Trustee Chandler inquired about SB 1415 (Brulte) dealing with common course numbering and if there was any hope of establishing such a system in California. Ms. Zamarripa replied that both SB 1415 and a complementary measure, SB 1785 sponsored by Senator Jack Scott, which requires several improvements in program and course articulation, are on the Governor's Desk pending final action. CSU has been supporting both bills given our interest in reducing "excess" units, facilitating student success and improving transfer and graduate rates.

Trustees Esparza and Jackson requested staff include more information on positions taken by the CSU on various bills.

The committee recommended adoption of the proposed resolution (RGR 09-04-07).

Chair Farar concluded the meeting.

COMMITTEE ON GOVERNMENTAL RELATIONS

2003/2004 Legislative Report No. 12

Presentation By

Karen Y. Zamarripa
Assistant Vice Chancellor
Advocacy and Institutional Relations

Summary

This item contains a final status report on the Trustees' Legislative Program, and priority legislation acted on this year.

Background

Trustees' Legislative Program

Assembly Bill 1999 (Assembly Higher Education Committee) Omnibus Legislation. Assembly Bill 1999 is the CSU's annual omnibus bill containing non-controversial and/or technical changes to the various codes. This year's bill deletes three obsolete Education Code sections (reference of the California State Universities and Colleges, Chico State Language Houses, and Department of General Services printing and binding) and conforms sections of the CSU Contract Law to ensure that the minor contract limit for CSU is automatically adjusted to be consistent with the limit for state contracts identified by the Department of Finance.

Status: Signed by the Governor on September 9, 2004 (Chapter No. 417, Statutes of 2004)

Assembly Bill 825 (Firebaugh) Student Financial Aid: Ensuring Access to Cal Grant Program. Assembly Bill 825 was an initial effort by CSU to engage issues associated with the Cal Grant Program to ensure that CSU students enjoy full and complete access to statewide financial aid, with specific focus on ensuring that the Cal Grant Competitive Program clearly addresses the unique needs of older, adult, nontraditional, returning, and reentry students. The author dropped CSU-sponsored language in AB 825; it now consolidates numerous K-12 education categorical funding programs and some supplemental instruction hourly reimbursement programs into several categorical block grants.

Status: Signed by the Governor on September 29, 2004 (Chapter No. 871, Statutes of 2004)

Notable Legislation

The bills in this section of the report would result in an impact on the CSU or on higher education in general. The bills are organized under the following subject matters:

- Bills Directly Impacting California State University
- Organization of the Board of Trustees
- Student Fees Policy
- Foundation and Auxiliary Issues
- Admissions, Articulation, and Transfer
- Bills to Implement the Recommendations of the Joint Master Plan Committee
- Facilities
- Procurement
- Miscellaneous Relevant Legislation

A final section of this report notes bills dropped by the author/sponsor or that failed passage.

Bills Directly Impacting the California State University

Assembly Bill 1969 (Negrete McLeod and Nakano) Courses in Employee Ethics. Assembly Bill 1969 essentially codified existing CSU policy requiring identified employees to complete an orientation course on the relevant ethics statutes and regulations that govern the official conduct of university officials. Employees who file a “Statement of Economic Interests,” pursuant to the California Political Reform Act, are required to complete the course.

CSU Position: Support

Status: Signed by the Governor on August 23, 2004 (Chapter No. 264, Statutes of 2004)

Assembly Bill 2387 (Firebaugh) Admissions Policy. Assembly Bill 2387 adds a provision authorizing the California State University and the UC to consider culture, race, ethnicity, national origin, geographic origin, and household income, along with other relevant factors in undergraduate and graduate admissions, so long as no preference is given.

CSU Position: No Position

Status: Vetoed by the Governor on September 29, 2004 [The Governor said in his veto message: “*The practical implementation of the provisions of this bill would be contrary to the expressed will of the people who voted to approve Proposition 209 in 1996. Therefore, since the provisions of this bill would likely be ruled as unconstitutional, they would be more appropriately addressed through a change to the State Constitution.*”]

Assembly Bill 2469 (Assembly Higher Education Committee) Reports. Assembly Bill 2469 delays and/or repeals the submission of numerous statutory reports that are required of the CSU and other public institutions of higher education.

CSU Position: Support

Status: Signed by the Governor on August 25, 2004 (Chapter No. 303, Statutes of 2004)

Assembly Bill 2637 (Diaz) Whistleblower Protection. Assembly Bill 2637 would require CSU to employ an independent investigator on all whistleblower complaints to determine whether or not an employee has suffered a reprisal, retaliation, threat, coercion, or similar improper act by another employee after filing a written complaint.

CSU Position: Opposed

Status: Vetoed by the Governor on September 15, 2004 [The Governor said in his veto message, among other things: "*The existing statutory and CSU executive order frameworks provide adequate protection for those that believe that they have been retaliated against for having reported improper activities. It is unclear how requiring CSU to employ an external investigator will provide a better process.*"]

Senate Bill 1331 (Alpert and Scott) California Postsecondary Education Accountability Act of 2004. Senate Bill 1331 would establish a California Postsecondary Education Accountability (CPSEA) structure to provide an annual assessment of how the state is meeting identified statewide public policy goals for all of higher education. The bill would require the CPSEA structure to identify a select number of key indicators that measure progress toward the following four statewide public policy goals: educational opportunity, participation, and student success and public benefits. The bill would establish a statewide reporting system under the auspices of the CPSEA that identifies a select number of indicators to assess progress toward the established policy goals.

CSU Position: Support

Status: Vetoed by the Governor on September 16, 2004. [The Governor said in his veto message: "*While I favor accountability for all levels of education, this bill mainly establishes only a reporting structure for four broad policy goals rather than providing for outcomes, such as performance based measures, historically associated with accountability systems. Furthermore, the California Postsecondary Education Commission, the body charged with collecting and analyzing the data under this proposal, and the other higher education entities involved in data collection are proposed to be restructured by the California Performance Review. It is premature to implement a new data collection system*"]

until the recommendations of the team are reviewed and more fully vetted for feasibility and efficiency.”]

Senate Bill 1757 (Denham) State Procurement: Vehicles. Senate Bill 1757 would require that all contracts for acquisition of motor vehicles or general use mobile equipment for an executive branch officer or agency (including the CSU) be made by or under the supervision of the Department of General Services, and would permit the department to collect a fee to offset the cost of the services provided.

CSU Position: Oppose

Status: Signed by the Governor on September 30, 2004 (Chapter No. 926, Statutes of 2004)

Organization of the Board of Trustees

Assembly Bill 2339 (Negrete-McLeod) Governance: Meetings. Assembly Bill 2339 provides that, to the extent possible, the State Board of Education, the California State University Board of Trustees and the University of California Board of Regents should not meet on the same day. [Note: The provision to allow an ex officio member of the Board to designate an employee to attend and vote at BOT meetings in their stead was dropped in a prior version before reaching the Governor’s desk.]

CSU Position: No Position

Status: Vetoed by the Governor on September 16, 2004 [The Governor said in his veto message, among others things: “*I see no reason why a bill needs to be enacted into law that dictates the coordination of meeting schedules. Nothing in current law would cause the State Board of Education, the California State University Board of Trustees, and the University of California Board of Regents to meet on the same day.*”]

Assembly Bill 2849 (Lowenthal) Trustees of the California State University. Assembly Bill 2849 would increase the membership of the Board of Trustees by requiring the Governor to appoint a non-faculty union employee of the university for a two-year term.

CSU Position: Oppose

Status: Vetoed by the Governor on September 10, 2004 [The Governor said in his veto message, among other things: “*I find no compelling reason for increasing the membership of the California State University Board of Trustees specifically to appoint a non-faculty union employee. Under current law, the Governor is authorized to appoint 16 at-large members to the Board, one of whom may be a non-faculty employee.*”]

Student Fee Policy

Assembly Bill 2710 (Liu) Mandatory Systemwide Resident Student Fee Policy. Assembly Bill 2710 would establish policies regarding mandatory systemwide student fees and financial aid for students at public universities. It would require the LAO to provide the Legislature annual information on the per-student cost of education at the CSU (and UC) and the share of cost being paid by students at each institution. The bill also provides that: a) increases in student fees shall be coupled with corresponding increases in state and institutional financial aid; b) the state should fund 70 percent of the costs of education for undergraduate students at CSU (and 60 percent at UC); c) undergraduate fees should not be increased by more than eight percent in any academic year; and d) except in fiscal emergencies, once student fees reach the target share of cost of education be adjusted by the annual change in statewide per capita personal income.

CSU Position: Oppose

Status: Vetoed by the Governor on September 18, 2004 [The Governor's veto message said: "*This bill establishes a resident student fee policy that is inconsistent with the student fee policy provisions of the higher education Compact that I reached with the University of California and California State University systems.*"]

Foundation and Auxiliary Issues

Senate Bill 1088 (Scott) Grants and Annuities Societies: Investments. Senate Bill 1088 would allow a charity to hold up to 50% of its investments backing charitable gift annuities in common stocks, rather than the current limit of 10%.

CSU Position: Support

Status: Signed by the Governor on August 30, 2004 (Chapter No. 381, Statutes of 2004)

Senate Bill 1262 (Sher) Charitable Organizations. Senate Bill 1262 (known as the Nonprofit Integrity Act of 2004) would amend the law regulating charitable organizations, commercial fundraisers and fundraising counsel and would require these entities to file reports of their activities with the California Attorney General.

CSU Position: No Position

Status: Signed by the Governor on September 30, 2004 (Chapter No. 919, Statutes of 2004) [The Governor said in his signing message: "*I am signing Senate Bill 1262 with the understanding that while I support transparency, accountability and curbing unscrupulous activities, I encourage the Legislature to ensure the non-profit community is not subjected to needless bureaucracy thereby potentially hampering the work and contributions made by non-profits who are serving California communities in need. The non-profit community provides*"]

needed education, outreach and assistance to California communities in various ways, including charitable donations. These nonprofits also provide citizens with the ability to get involved and be a part of positively impacting communities throughout our state. Therefore, if this bill results in unnecessary expense to the non-profit community I encourage the Legislature to revisit this issue.”]

Admissions, Articulations and Transfer

Senate Bill 1415 (Brulte) Common Course Numbering System. Senate Bill 1415 would require that no later than June 1, 2006, each campus of the California Community Colleges and the California State University adopt, and would request each campus of the University of California and private postsecondary institutions adopt, a common course numbering system for the 20 highest-demand majors in the respective segments.

CSU Position: Support

Status: Signed by the Governor on September 24, 2004 (Chapter No. 737, Statutes of 2004) [The Governor in his signing message said, among other things: “*I am signing SB 1415 because it is consistent with the course articulation efforts called for under the terms of the State’s Higher Education Compact. The Chancellor of the CSU and COCCC have committed to implementation of this bill within their existing resources, and stating that this bill will not result in additional costs for local community college districts.*”]

Senate Bill 1785 (Scott and Alpert) Transfer Requirements. Senate Bill 1785 would require the CSU to establish admissions requirements for community college transfer students in accordance with specified criteria, and would require the CSU, in consultation with the Academic Senate of the CSU, to specify for each high-demand baccalaureate program major a systemwide lower-division transfer curriculum. Finally, the bill would require the CSU to guarantee admission to transfer students who meet specified criteria and allow them to credit 60 units toward their baccalaureate degree.

CSU Position: Support

Status: Signed by the Governor on September 24, 2004 (Chapter No. 743, Statutes of 2004) [The Governor in his signing message said, among other things: “*I am signing SB 1785 because it is consistent with the course articulation efforts called for under the terms of the State’s Higher Education Compact...The Chancellor of the CSU and COCCC committing to implementation of this bill within their existing resources, and stating that this bill will not result in a State-reimbursable mandate for local community college districts.*”]

Bills to Implement the Recommendations of the Joint Master Plan Committee

Assembly Bill 242 (Liu) Teacher Preparation and University Faculty. Among other provisions dealing with K-12 emergency teacher permits, this bill would require CSU to: a) adopt a formal policy on the balance of permanent and temporary faculty; b) require CSU to pay pro rata compensation to temporary faculty; and c) state legislative intent that CSU should examine faculty promotion, tenure and review policies and practices to ensure that teaching excellence is given significant weight in decisions regarding promotion and tenure.

CSU Position: Oppose

Status: Vetoed by the Governor on September 29, 2004 [The Governor said in his veto message: *“This bill contains primarily statements of intent for various teacher preparation, recruitment, and retention policies for both K-12 and higher education. Although it is desirable for the State to develop long-range plans for such matter as the preparation and retention of highly qualified teachers, this bill is neither comprehensive nor fiscally feasible. Moreover, this legislation is unnecessary since the CTC has indicated that it will adopt regulations consistent with the provisions outlined in this bill. My Administration has already taken steps toward increasing the number of well-prepared teachers by working with the UC and CSU systems to improve the supply of science and math teachers and is willing to continue working toward a more reasonable long range plan than what is provided for in this bill.”*]

[**Note:** Assembly Bill 1550 (Goldberg) Public Education Facilities, Assembly Bill 2727 (Daucher) Schools Uniform Complaint Process, Assembly Bill 3001 (Goldberg) Teachers, Senate Bill 6 (Alpert) Public Education Governance, and Senate Bill 550 (Vasconcellos) Education Policy were amended late in the session to become vehicles to implement the “Williams Settlement” pertaining to the adequacy of funding and facilities at public K-12 schools.]

Facilities

Assembly Bill 3010 (Laird) Community College Facilities: Field Act. Assembly Bill 3010 would require the Department of General Services (Division of the State Architect) and the California Community Colleges Board of Governors to enter into a collaborative process to improve the quality and efficiency of the design and construction of college buildings.

CSU Position: No Position

Status: Vetoed by the Governor on September 18, 2004 [The Governor said in his veto message, among other things: *“Working with the community colleges on a collaborative basis to modify the current plan review and approval process is a commendable goal, but this can be achieved more effectively and efficiently if addressed administratively, rather than statutorily. In fact, a great deal of work*

has already been done with stakeholders to identify the problems and successes of the existing process, timelines, schedules, responsibilities and goals. I am directing the Department of General Services' Division of the State Architect to continue working with the Chancellor's Office of the community colleges to ensure a viable design, plan, and review process is in place, so that our community colleges are designed and built in a timely, efficient and cost-effective manner that serves the best interests of the State of California.”]

Senate Bill 18 (Burton) Traditional Tribal Cultural Sites. Senate Bill 18 establishes framework within the current local land use planning process for developing an ongoing dialogue among local governments, landowners, and California Native American tribes in order to protect Native American cultural resources. [*Note: As introduced, this bill would have adversely impacted the CSU by altering the CEQA process. After much negotiation with the author and several Native American tribes, an agreement was reached that addressed the CSU’s concerns. As a result, the CSU removed its opposition to the bill, as did the coalition of business interests and other interested parties.*]

CSU Position: No Position

Status: Signed by the Governor on September 30, 2004 (Chapter No. 905, Statutes of 2004)

Senate Bill 1161 (Alpert) Library Bond. Senate Bill 1161 enacts the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2006 and puts the question before the voters at the 2006 statewide primary election to authorize the issuance of \$600 million for the purpose of financing library construction and renovation by the State Librarian, including \$25 million for joint-use projects with the CSU or other public education institutions

CSU Position: No Position

Status: Signed by the Governor on September 22, 2004 (Chapter No. 698, Statutes of 2004)

Senate Bill 1851 (Bowen) State Building Standards. Senate Bill 1851 would require all new public buildings, except publicly funded K-12 school buildings, to exceed the minimum building energy-efficiency standards mandated by the California Building Code, among other provisions.

CSU Position: Oppose

Status: Vetoed by the Governor on September 16, 2004 [The Governor said in his veto, among other things: “*Early in my Administration, I directed Secretary Tamminen to establish a working group to develop green building bank initiatives for both public and private buildings. Members of the working group include public sector decision makers, commercial real estate business owners*

and managers, energy experts and financial managers. The group is currently developing recommendations for a comprehensive program to dramatically advance energy conservation as well as incorporate other green building principles into commercial buildings. Additionally, this bill is similar to the executive order passed in the prior administration, which directed all state agencies to improve energy efficiency in all state buildings. This order has not been rescinded and is still in effect. Since this bill would codify much of an existing executive order, it would not improve upon existing efforts to increase adoption of sustainable building practices in California.”

Miscellaneous Relevant Legislation

Assembly Bill 2469 (Assembly Higher Education Committee) Reports. Assembly Bill 2469 is an omnibus bill that would delay and/or repeal the submission of numerous statutory reports that are required of the CSU and other public institutions of higher education.

CSU Position: Support

Status: Signed by the Governor on August 25, 2004 (Chapter No. 303, Statutes of 2004)

Assembly Bill 2477 (Liu) Pricing of College Textbooks. Assembly Bill 2477 would urge textbook publishers to take specified actions aimed at reducing the amounts that students currently pay for textbooks. Further, the bill would require the CSU and the California Community Colleges, and would request University of California, to encourage faculty members, when assigning textbooks, to give preference to practices that are less costly to students and to encourage campuses to provide as many forums as possible for students to purchase used textbooks.

CSU Position: No Position

Status: Signed by the Governor on September 16, 2004 (Chapter No. 556, Statutes of 2004)

Assembly Bill 2615 (Assembly Higher Education Committee) Cross-Enrollment Reporting Requirement. Assembly Bill 2615 would repeal obsolete reporting provisions associated with current law pertaining to cross-enrollment at public postsecondary institutions in California.

CSU Position: No Position

Status: Signed by the Governor on August 30, 2004 (Chapter No. 349, Statutes of 2004)

Assembly Bill 2678 (Koretz) Textbook Rental Library Service. Assembly Bill 2678 would authorize public postsecondary education institutions to establish textbook rental services for

students if the president or chancellor of the campus certifies that specified conditions have been met, including a recognized student body organization of the campus voting to request the establishment of a rental service; and an appropriate mechanism for shared governance, such as an academic senate, approving the establishment of the rental service. The bill prohibits the redirection of General Fund moneys or mandatory systemwide fee revenues to support a textbook rental service.

CSU Position: No Position

Status: Vetoed by the Governor on September 16, 2004 [The Governor said the following in his veto message: "*I support the authors intention to lower textbook costs to college students, and I am generally supportive of textbook rental programs as one means to make the overall cost of college attendance more affordable. However, I am opposed to provisions in the bill that would allow additional fees to be assessed to all students, even those not using the program, in order to keep a textbook rental service financially self sustaining. Therefore, since nothing in current statute prohibits a California university or college from establishing and maintaining a textbook rental program, without these objectionable provisions, I cannot sign this measure.*"]

Assembly Bill 2923 (Liu) California Postsecondary Education Commission. Assembly Bill 2933 restructures CPEC's duties, membership, priorities, and policy responsibilities. The bill expands the policy responsibilities of CPEC to include maintaining a statewide postsecondary accountability framework consistent with current reporting requirements. The bill also establishes a Policy Advisory Committee to the Commission.

CSU Position: Oppose

Status: Vetoed by the Governor on September 15, 2004 [The Governor's veto message said, "*When I signed the Executive Order in February of 2004 creating the California Performance Review, its mission was to make fundamental changes in state government, establish new procedures to create greater efficiencies, prioritize government functions, create true accountability over the fiscal management of state. CPR reviews government functions at all levels when there is interaction with state government. Among its recommendations, the CPR advocates for a more comprehensive approach to higher education governance restructuring. This bill may have merit in its intent to basically revitalize the CPEC, but we need to continue the work begun by the CPR before enacting a measure like this.*"]

Bills Dropped or Failed Passage in Committee

Assembly Bill 1507 (Negrete McLeod) California State University Police Department. Assembly Bill 1507 would require the system to establish a single police department serving the

university, its headquarters and campuses. The bill would require all university police departments in existence on January 1, 2005 to become part of the single department.

CSU Position: Oppose

Status: The author dropped the bill after the CSU crafted an MOU that was acceptable to both sides.

Assembly Bill 1973 (Nation) Employee Relations. Assembly Bill 1973 modifies a single provision of HEERA, negotiated over twenty years ago, that prohibits a memorandum of understanding requiring budgetary action by the Legislature from being effective until that action has been taken. This section was included in HEERA, given that the Act does not require CSU collective bargaining agreements to be approved by the Legislature (as is the case with state employee bargaining contracts) to ensure a level of fiscal accountability and responsibility in the collective bargaining process.

CSU Position: Oppose

Status: Failed Passage in the Senate Education Committee

Assembly Bill 2902 (Hancock) CEQA: Project Approvals. Assembly Bill 2902 would allow local governments to levy special assessments on CSU campuses to pay for off-campus infrastructure improvements. The bill would pre-empt a pending Supreme Court case (City of Marina vs. CSU Monterey Bay) and force public institutions of higher education to foot the bill for a wide variety of local infrastructure improvements.

CSU Position: Oppose

Status: Held in Senate Environmental Quality Committee

Assembly Bill 3036 (Yee) Capital Facilities Fees. Assembly Bill 3036 would fundamentally change current law regarding the imposition of capital facilities fees on public agencies, including the CSU. It would make the CSU, UC and others the “deep pockets” for public utilities seeking to fund their infrastructure improvement projects.

CSU Position: Oppose

Status: Held in Senate Appropriations Committee at the request of the Governor, who indicated that he would veto the bill. The CSU fought vigorously to keep this bill bottled up in committee, working with the Education Coalition.

Senate Bill 74 (Torlakson) Vending Machines on State Property. Senate Bill 74 would require each vendor that operates or maintains a vending machine on designated state property, including the CSU, to satisfy the requirement that at least 50% of the food and beverages offered in the vending machine meet accepted nutritional guidelines, as specified in the bill.

CSU Position: Oppose

Status: Failed Passage in the Assembly Business and Professions Committee. AOA was a key partner with CSU on this issue, providing the system with critical analyses of the potential impact that the bill would have had on auxiliary operations.

Senate Bill 1535 (Karnette) Student Fee Policies. Senate Bill 1535 was originally the Administration's proposed bill to provide for a statewide student fee policy. As amended, it would require the Legislative Analyst's Office and CPEC to propose a statewide policy for the mandatory systemwide student fees of public higher education institutions.

CSU Position: Oppose

Status: Held in the Assembly Higher Education Committee (dropped by author)

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that the 2003/04 Legislative Report No.12 is adopted.