

## **AGENDA**

### **COMMITTEE ON GOVERNMENTAL RELATIONS**

**Meeting: 1:45 p.m., Tuesday, May 14, 2002**  
**Glenn S. Dumke Auditorium**

Martha C. Fallgatter, Chair  
Roberta Achtenberg, Vice Chair  
Daniel N. Cartwright  
Debra S. Farar  
Bob Foster  
Murray L. Galinson  
William Hauck  
Ricardo F. Icaza  
Dee Dee Myers  
Ralph R. Pesqueira  
Kyriakos Tsakopoulos

#### **Consent Items**

Approval of Minutes

#### **Discussion Items**

1. 2001/2002 Legislative Report No. 8, *Action*
2. Education Bond Act: Endorsement by Board of Trustees, *Action*

**MINUTES OF THE MEETING OF  
COMMITTEE ON GOVERNMENTAL RELATIONS  
California State University Sacramento  
University Union Ballroom**

**March 13, 2002**

**Members Present**

Martha C. Fallgatter, Chair  
Roberta Achtenberg, Vice Chair  
Daniel N. Cartwright  
Delaine Eastin, State Superintendent of Public Instruction  
Debra S. Farar  
Bob Foster  
Murray L. Galinson  
Laurence K. Gould, Jr. Chair of the Board  
William Hauck  
Ralph R. Pesqueira  
Charles B. Reed, Chancellor  
Kyriakos Tsakopoulos

**Members Absent**

Ricardo F. Icaza  
Dee Dee Myers

**Other Trustees Present**

Harold Goldwhite  
Shailesh J. Mehta  
Frederick W. Pierce, IV  
Stanley T. Wang

**Chancellor's Office Staff**

David S. Spence, Executive Vice Chancellor and Chief Academic Officer  
Richard P. West, Executive Vice Chancellor and Chief Financial Officer  
Jackie R. McClain, Vice Chancellor, Human Resources  
Christine Helwick, General Counsel  
Freda Hinsche Otto, Assistant Vice Chancellor, University Relations  
Karen Y. Zamarripa, Assistant Vice Chancellor, Governmental Affairs

Chair Fallgatter called the meeting to order at 9:35 a.m.

**Approval of Minutes**

The minutes of January 30, 2002 were approved.

**2001/2002 Legislative Report No. 7**

Chair Fallgatter announced that Ms. Karen Y. Zamarripa, assistant vice chancellor, governmental affairs, would present the status report on the trustees legislative program and priority bills that have been introduced this year. Ms. Yelverton Zamarripa welcomed Delaine Eastin, State Superintendent of Public Instruction, to the meeting and expressed appreciation for her participation in the session.

Ms. Yelverton Zamarripa provided her perspective on the results of the recent primary election and how they may impact the state and the November election. She reported that the legislature was officially back in session and noted that Chancellor Reed would be presenting the CSU support budget to the budget subcommittees in both houses of the Legislature that afternoon.

She noted that newly introduced bills will begin the hearing process during the first week of April. It is anticipated that the volume of bills will be reduced this year as a result of an effort by Assembly Members to reduce the number of bills introduced by individual members, and in deference to the difficult fiscal environment.

There have been several general themes in the subject matter of bills introduced this year, including various bills related to terrorism, the role of the military, and how the state treats military veterans, members of the National Guard, and reservists on tuition waivers for higher education institutions. Other prominent issues include student fee policies, outreach, the Cal-Grant program, and teacher preparation. However, the primary activity from CSU's perspective remains the education bond negotiation.

Delaine Eastin, State Superintendent for Public Instruction, addressed the committee. Superintendent Eastin expressed her gratitude and support for CSU's role as the primary provider of teachers in the state. She then spoke of the extraordinary need for new teachers and school administrators within the state, and the importance of CSU's continued efforts in this area. She urged the trustees and campus presidents to redouble their efforts in encouraging the legislature for more support of teacher education programs.

Trustee Achtenberg inquired about the status of Assembly Member Shelley's bill concerning the pilot program for financing of faculty/staff homeownership. Ms. Yelverton Zamarripa replied that to her knowledge, there had been no activity on the bill to date.

The meeting was adjourned at 9:35 a.m.

## COMMITTEE ON GOVERNMENTAL RELATIONS

### 2001/2002 Legislative Report No. 8

#### Presentation By

Karen Y. Zamarripa  
Assistant Vice Chancellor  
Governmental Affairs

#### Summary

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

#### Background

The following bills comprise the Trustees' Legislative Program for 2002. The status of each bill, as of April 17, 2002, is indicated.

***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. CSU has co-sponsored SB 277 with CSEA and will seek the funds necessary to support this benefit through the bill.

**Status:** Assembly Appropriations Committee

***Assembly Bill 16 (Hertzberg) Education Bond.*** AB 16 places Public Education Facilities Bond Acts on the ballot this year and in 2004, in the total amounts of \$13.05 billion and \$12.30 billion respectively. The bond provides higher education with a total of \$4.6 billion over the next four years – \$2.3 billion in 2002 (including the economic stimulus projects for CSU and UC), and \$2.3 billion in 2004. The distribution of the dollars is consistent with the position advocated by the higher education segments: 30% for both CSU and UC, and 40% for the community colleges. For K-12 schools, the 2002 bond provides \$11.4 billion, as follows: \$4.8 billion for new construction and modernization projects that have been filed with the state ("pipeline projects"); \$3.45 billion for new school construction related to growth; \$1.4 billion for modernization of older schools; \$1.7 billion for Critically-Overcrowded Schools; and \$50 million for joint-use

facilities. In 2004, K-12 schools would receive \$10 billion - \$5.26 billion for new construction related to growth; \$2.25 billion for modernization of older schools; \$2.4 billion for Critically-Overcrowded Schools; and \$50 million for joint-use facilities.

**Status:** Approved by the Legislature; Awaiting Governor's Approval

***Assembly Bill 1863 (Higher Education Committee) California State University Regulations.*** This bill would permanently authorize the Trustees to adopt, amend, and repeal CSU regulations. In 1996, the Legislature approved and the governor signed Assembly Bill 3132 (Firestone), which enacted the "California State University Management Efficiency Act of 1996." Among other provisions, AB 3132 allowed the Trustees, for a period of five years, to notice rulemaking activity on its own (by posting on the CSU web site and by letter to the mailing list for the Trustees agenda) and to immediately submit adopted regulations to the Secretary of State, thereby resulting in an earlier effective date. In 2001, the Legislature approved and the governor signed Assembly Bill 1718 (Committee on Higher Education), which extended Trustee authority on rulemaking for one year.

A second section of the bill, pertaining to the privacy of student records, was removed following concerns that were raised by the American Civil Liberties Union. CSU General Counsel will consider alternative strategies to address the relationship between state and federal law on this issue for inclusion in later legislation.

**Status:** Approved by the Assembly Higher Education Committee, April 16

### ***Priority Bills***

The following bills have been designated as a priority for the 2002 Legislative session.

***Assembly Bill 1122 (Corbett) Taxation: Federal Conformity***  
***Senate Bill 657 (Scott) Income and Bank and Corporation Taxes: Federal Conformity***

AB 1122 and SB 657 are the two most prominent vehicles to conform California tax law to the federal Economic Growth and Tax Reconciliation Relief Act of 2001 (EGTRRA). Enacted in 2001, EGTRRA provided for extensive changes to laws governing defined benefit and defined contribution plans. Conforming state tax law to federal statutes will allow CSU employees to enjoy the full scope of the new federal retirement savings benefits. Without conformity, retirement plans offered to CSU employees are subject to contradictory federal and state statutes.

Among other provisions, these bills would conform state law to the following EGTRRA provisions:

- Increase limits on distributions and contributions;
- Allow more flexibility to “roll” funds between different types of tax-sheltered savings accounts, including IRAs, 401(k), 403(b), and 457;
- Allow these funds to be used to purchase service credit in defined benefit 401(a) plans.
- Allow for recent retirees to retroactively take advantage of these provisions.

**Status:** AB 1122: Approved by the Senate Appropriations Committee, April 15  
SB 657: Approved by the Assembly Appropriations Committee, April 15

***Assembly Bill 1746 (Liu) Postsecondary Education: Tuition and Fees.*** Assembly Bill 1746 would prohibit the California State University and the California Community Colleges from collecting any fees or tuition from any person who is the surviving spouse or child of any individual killed in the terrorist attacks of September 11, 2001.

**Status:** Approved by the Assembly Higher Education Committee, April 2

***Assembly Bill 1747 (Briggs) Statewide Need Study.*** As introduced, this bill would have designated Tulare County as the location of a new California State University campus. As amended on April 2, the bill would require CPEC to conduct a study of statewide need, including the particular need within Tulare County, and require CPEC to report its findings to the Legislature by July 1, 2003. The \$250,000 appropriation to CPEC for this study will be considered within the context of the state’s fiscal crisis by the Appropriations Committee later this month.

**Status:** Approved by the Assembly Higher Education Committee, April 2

***Assembly Bill 1756 (Bogh) Higher Education: Noncitizen Students: Reporting.*** As amended on April 1, AB 1756 would require CSU and the other higher education segments to report to the United States Immigration and Naturalization Service the name of any student-visa student who fails to enroll or commence participation by the 30<sup>th</sup> day after the institution’s or program’s deadline for classes for an academic term. This measure is consistent with federal law and is the result of a special hearing on international students held last Fall.

**Status:** Approved by the Assembly Higher Education Committee, April 2

***Assembly Bill 2077 (Koretz) Nursing: Education Resources.*** AB 2077 states the intent of the Legislature to identify ways to increase the number of nursing personnel by providing more opportunities and financial resources to educate and train nurses at the community college and state university levels.

**Status:** Approved by the Assembly Higher Education Committee, April 16

***Assembly Bill 2097 (Diaz) CSU: General Purpose Funds.*** This bill would have prohibited funding for administrative and managerial positions at campuses and the Chancellor's Office from exceeding an unspecified percentage of general purpose funds provided for CSU and its ancillary programs, unless the expenditure is specifically authorized pursuant to an appropriation in the annual Budget Act. Sponsored by CFA.

**Status:** Bill Dropped by Author

***Assembly Bill 2120 (Simitian) Professional Development Block Grant.*** AB 2120 states the intent of the Legislature to develop a flexible professional development block grant for K-12 teachers by consolidating several current programs, including the Education Technology Professional Development program, the English Language Acquisition Program, the Beginning Teacher Support and Assessment Program (BTSA), the California Pre-Internship Teaching Program, the Paraprofessional Teacher Training Program, the California Technology Assistance Project, and the California Professional Development Institutes.

**Status:** Pending in the Assembly Education Committee

***Assembly Bill 2225 (Lowenthal) CSU: Personal Services Contracting.*** AB 2225 would place in the Education Code provisions regarding contracting out that are currently used for non-university, civil service employees.

**Status:** Approved by the Assembly Higher Education Committee, April 16

***Assembly Bill 2433 (Steinberg) Teacher Professional Development Programs.*** AB 2433 declares the intent of the Legislature to consolidate and streamline California's teacher professional development programs.

**Status:** Pending in the Assembly Education Committee

***Assembly Bill 2497 (Negrete McLeod) CSU Probationary Employees: Probationary Proceedings.*** This bill would authorize a nonacademic probationary employee who is rejected during probation to request a hearing before the State Personnel Board.

**Status:** Approved by the Assembly Higher Education Committee, April 16

***Assembly Bill 2528 (Jackson) Postsecondary Education: Nursing Science.*** AB 2528 expresses legislative intent that interest-free loans be made available to students who are enrolled in nursing science educational programs offered by postsecondary institutions in California.

**Status:** Pending in the Assembly Higher Education Committee

***Assembly Bill 2549 (Nation) Part-Time CSU Employees.*** This bill would provide that temporary faculty at CSU who work half-time or more shall not be excluded from PERS if so provided in a collective bargaining agreement or by the Trustees with respect to excluded employees. The bill defines half-time as a minimum teaching load of six weighted teaching units for two consecutive semesters or three consecutive quarters.

**Status:** Pending in the Assembly Public Employees, Retirement, and Social Security Committee

***Senate Bill 1227 (Burton) Housing and Emergency Shelter Trust Fund Act of 2002.*** SB 1227 would enact the Housing Bond and Energy Shelter Trust Fund Act of 2002 which, if adopted by the voters at the November 5, 2002, General Election, would allow the issuance of a \$2.1 billion general obligation bond for state housing programs. The bill includes \$15 million for low-income CSU and UC student housing requiring UC and CSU to provide a dollar-for-dollar match.

**Status:** Approved by the Legislature; Awaiting Governor's Approval

***Senate Bill 1339 (Vasconcellos) Postsecondary Education: Admissions.*** This bill would require the Office of the President of the University of California and the Office of the Chancellor of the California State University, rather than the Superintendent of Public Instruction, to assist all school districts to ensure that all public high school pupils have access to a core curriculum that meets the admission requirements of the University of California and the California State University.

**Status:** Pending in the Senate Education Committee

***Senate Bill 1412 (Romero) Voter Registration: University Campuses.*** SB 1412 would require CSU and the California Community Colleges, and request the University of California, to distribute a voter registration form to students and require voter registration materials to be made available at central campus locations.

**Status:** Set for Hearing in the Senate Elections and Reapportionment Committee, May 1

***Senate Bill 1450 (Romero) CSU: General Purpose Funds.*** This bill would require the expenditure, for each fiscal year, of a minimum of 50% of the current expense of education for payment of instructional costs by the California State University and each CSU campus. The bill defines "current expense of education" as all general purpose funds used to support ancillary programs, including extension programs, community services, foundations, and auxiliaries; but does not include expenditures for library materials. "Instructional costs" are defined as the costs of instructional faculty, teaching assistants, and classified instructional support staff of the CSU engaged in general academic instruction, preparatory or remedial instruction, or both, special session instruction, community education instruction, or vocational or technical instruction.

The bill would require the trustees, and the president of each campus, to achieve the 50% minimum level for instructional costs by January 1, 2006, and would require the trustees and each campus president to utilize existing audit procedures, including the use of independent auditors, to determine compliance with this requirement.

**Status:** Set for Hearing in the Senate Education Committee, April 24

***Senate Bill 1493 (Alpert) Nursing Education: Nursing Shortage Project.*** SB 1493 would establish a nursing pilot project in San Diego County consisting of nursing academies at 4 public high schools in that county, and providing that through articulation agreements with local community college districts, participants would be afforded an opportunity for placement in an associate degree nursing program.

**Status:** Set for Hearing in the Senate Education Committee, May 1

***Senate Bill 1539 (Public Employment and Retirement Committee) Retirement Benefits.*** Among other provisions, the omnibus retirement benefits bill for 2002 would enable CSU faculty who retired under an early retirement incentive in 1992 to return to the classroom without forfeiting their service credit, under the same conditions as other retired annuitants.

**Status:** Set for Hearing in the Senate Public Employment and Retirement Committee,  
April 22

***Senate Bill 1646 (Alpert) Teacher Credentialing.*** This bill would require regionally accredited public postsecondary institutions to establish undergraduate degrees in elementary education. The bill would also require the degree programs to enable candidates for multiple subject teaching credentials to engage in professional preparation concurrent with subject matter preparation and to provide candidates with opportunities to complete intensive field experiences in public elementary schools early in the undergraduate sequence. Finally, the bill would require the postsecondary institutions' schools of education to be responsible for the development and implementation of the degree programs.

**Status:** Set for Hearing in the Senate Education Committee, April 24

***Senate Bill 1652 (Sher) Athlete Agents.*** SB 1652 would enact the Uniform Athlete Agents Act (UAAA) to regulate the activities of an athlete agent in soliciting or contracting with a student athlete to represent him or her in negotiations for a professional sports or endorsement contract.

**Status:** Approved by the Senate Business and Professions Committee, April 8

***Senate Bill 1655 (Scott) Administrative Service Credentials.*** Existing law sets forth the minimum requirements for both a preliminary and professional services credential with a specialization in administrative services. SB 1655 would authorize the Commission on Teacher Credentialing to issue those credentials to persons who meet expedited alternative requirements, as follows:

*Preliminary Services Credential:* Possesses a teaching or services credential; and either a) successfully passes a test adopted by the commission that assesses the knowledge, skills, and abilities typically provided in a preparation program for an administrative services credential, or b) possesses a Master's Degree in Educational Administration or a related field from a regionally accredited institution of postsecondary education, and produces documentation of three years of administrative experience at a school, college, or university.

*Professional Services Credential:* Holds or is eligible for a preliminary services credential with a specialization in administrative services, and who meets one of the following requirements: a) successfully completes an accredited professional services program; b) demonstrates mastery of commission accredited fieldwork performance standards for the credential; or c) passes a national administrator performance assessment adopted by the commission.

**Status:** Approved by the Senate Education Committee, April 10

***Senate Bill 1731 (Alarcon) Pupils: Graduation Requirements.*** SB 1731, commencing with the 2005-06 school year, would require a school district to enroll all pupils in a “college readiness curriculum,” defined as including an additional year course in English and mathematics, 2 year courses in a foreign language, a year course in visual and performing arts , 2 courses in physical education unless otherwise specified, and a year course in specified elective subjects. The pupil could choose not to follow this curriculum and instead complete existing course requirements, but only after the pupil and his or her parent or guardian are informed of the consequences of the choice, and the pupil, his or her parent or guardian, and a school counselor or school administrator consent in writing to that decision.

**Status:** Set for Hearing in the Senate Education Committee, May 1

***Senate Bill 1771 (Alarcon) Institute on Diversity.*** This bill would request the University of California, jointly with the CSU, to establish a California Institute on Diversity to develop and coordinate curriculum and research on diversity, and to identify and discuss significant public-policy issues relative to population and sociological trends. The bill would provide that funding for the state's share of the operating and facilities costs of the bill would be subject to appropriation in the annual Budget Act.

**Status:** Set for Hearing in the Senate Education Committee, May 1

***Senate Bill 1820 (Romero) Postsecondary Education: Retention and Support Data.*** This bill would require the California State University and the California Community Colleges, and request the University of California and the Association of Independent California Colleges and Universities, to collect data about retention and graduation support systems in their respective segments and submit this data to the California Postsecondary Education Commission (CPEC). The bill would require CPEC to analyze this data, and report its findings, conclusions, and recommendations to the Legislature, the Governor, and the governing bodies of the segments in a timely manner.

**Status:** Set for Hearing in the Senate Education Committee, May 1

Adoption of the following resolution is recommended:

**RESOLVED**, By the Board of Trustees of the California State University,  
that the 2001-2002 Legislative Report No. 8 is adopted.

**COMMITTEE ON GOVERNMENTAL RELATIONS**

**Education Bond Act: Endorsement by Board of Trustees**

**Presentation By**

Karen Y. Zamarripa  
Assistant Vice Chancellor  
Governmental Affairs

**Background**

From time to time, the Committee on Governmental Relations reviews statewide ballot measures for their implications for the California State University. This item contains a resolution expressing support for an education bond act appearing on the November 2002 General Election ballot with the expectation that such a bond will have been approved by the legislature and governor by the date of the meeting of the Board of Trustees.

Should the Trustees determine they wish to take a position on an education bond act appearing on the November 2002 General Election ballot, the following resolution is recommended:

**RESOLVED**, By the Board of Trustees of the California State University, that the board supports the education bond act that appears on the November 2002 General Election ballot.