

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 8:15 a.m., Wednesday, September 18, 2002
Glenn S. Dumke Auditorium

Murray L. Galinson, Chair
Martha Fallgatter, Vice Chair
Roberta Achtenberg
Robert Foster
Dee Dee Myers
Ralph R. Pesqueira
Frederick W. Pierce IV

Consent Items

Approval of Minutes of Meeting of July 16, 2002

Discussion Items

1. 2001/2002 Legislative Report No. 10, *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 90802**

July 16, 2002

Members Present

Murray L. Galinson, Chair
Martha C. Fallgatter, Vice Chair
Debra S. Farar, Chair of the Board
Bob Foster
Ralph R. Pesqueira
Frederick W. Pierce, IV
Charles B. Reed, Chancellor

Members Absent

Roberta Achtenberg
Dee Dee Myers

Other Trustees Present

Cruz M. Bustamante, Lieutenant Governor
Harold Goldwhite
William Hauck
Shailesh J. Mehta
Erene S. Thomas
Kyriakos Tsakopoulos

Chancellor's Office Staff

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

Chair Galinson called the meeting to order at 3:32 p.m.

Approval of Minutes

The minutes of May 14, 2002 were approved.

2001/2002 Legislative Report No. 9

Chair Galinson introduced Ms. Karen Y. Zamarripa, assistant vice chancellor, governmental affairs who presented the report.

Ms. Zamarripa referred to the written status report on priority legislation being followed by the CSU. She indicated that the Governor's Office had announced the approval of Assembly Bill 1863 (Higher Education Committee), which extends Trustee authority to adopt or amend regulations for an additional five years.

Ms. Zamarripa indicated there were two remaining sponsored bills that are still being pursued by the system: Senate Bill 277 (Chesbro) deals with rural health care; and would provide a subsidy for CSU employees living in areas which are not served by a health-maintenance organization (HMO). The bill now appears to be a longer-term objective due to the fiscal ramifications of the proposal. Ms. Zamarripa said the CSU will continue to work with Senator Chesbro's staff and various CSU employee organizations to explore how the matter can be addressed in the future.

The second bill, Senate Bill 1539 (Committee on Public Employment and Retirement), would allow retired faculty members who left the system during CSU's early retirement program in the mid-1990s to return to the classroom. The bill would allow those faculty members to return on a part-time, as-needed basis without jeopardizing their retirement benefits.

Ms. Zamarripa then focused on the budget situation in Sacramento and said she concurred with Trustee Hauck and Mr. West's opinions on when the budget might be enacted. She added that since the Senate has taken a summer recess and is not scheduled to return until August 5th, it is unlikely there will be any budget activity until they return.

Ms. Zamarripa completed her report with an update on the Joint Committee to Develop a Master Plan for Education, K through University. CSU participants have been active in the working groups throughout the process, and the system recently released a formal response to the draft Master Plan report which was released in May. Ms. Zamarripa acknowledged that the bulk of the report addresses K-12 issues, but noted that there remains a strong connection to the CSU because of the system's role in preparing teachers for the K-12 classroom and our school partnerships throughout the state. Given the primary focus on K-12 issues, CSU in its response outlined the following issues:

- **Financing of Higher Education.** The report makes little reference to the need for improved investment in and financing of higher education. CSU stated that a partnership agreement model, similar to that which currently exists with the Davis Administration, should be formally endorsed and supported by the administration and the Legislature as a financing model for the future.

- Long-term needs in recruiting and retaining the highest quality faculty.
- The need for a recognized student fee policy tied to the ability to pay.
- A re-examination of Cal Grant program provisions, and how they impact students outside the traditional 18-22 year old category.
- Improved collaboration and coordination among the higher education segments; specifically, how we work collectively to serve and meet the needs of students and use our resources in the most effective manner. Consistent with this theme is CSU's support for, along with the members of the Education Round Table, a community college transfer degree. Such a degree would assist transfer students with the transition from the community colleges to a four-year institution such as CSU, the University of California, or private institutions.
- Early assessment; specifically, having the early assessment tools available to ensure that students are receiving the support they need, and are academically prepared for college or work.

Finally, CSU urged the committee to focus on an outcomes-based accountability method, as opposed to an approach based on input measures.

The committee recommended approval of the proposed resolution (RGR 07-02-05).

The meeting was adjourned at 3:45 p.m.

COMMITTEE ON GOVERNMENTAL RELATIONS

2001/2002 Legislative Report No. 10

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 August 22, 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, but the estimated \$2 million cost makes its passage problematic in the current budget environment.

Status: Assembly Appropriations Committee

Assembly Bill 16 (Hertzberg) Education Bond. AB 16 places Public Education Facilities Bond Acts on the ballot this November and in March 2004, in the total amounts of \$13.05 billion and \$12.30 billion respectively.

Status: Signed by Governor Davis; Chapter 33, Statutes of 2002 (Proposition 47 on November General Election ballot)

Assembly Bill 1863 (Higher Education Committee) California State University Regulations.
This bill would extend the Trustees authority to adopt, amend, and repeal CSU regulations for five years.

Status: Signed by Governor Davis; Chapter 182, Statutes of 2002

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: Pending on the Assembly Floor

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 conform California tax law to the federal Economic Growth and Tax Reconciliation Relief Act of 2001 (EGTRRA). Among other provisions, these bills 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: Signed by Governor Davis; Chapter 35, Statutes of 2002
SB 657: Signed by Governor Davis; Chapter 34, Statutes of 2002

Assembly Bill 1506 (Wesson) Public Works. Assembly Bill 1506 was amended in May to require any entity using education facilities bond funds for public works projects to initiate and enforce a labor compliance program, or to contract with a third party to do so, to ensure payment of prevailing wage rates.

Status: Pending on the Senate Floor

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: Pending on Assembly Floor for Concurrence in Senate Amendments

Assembly Bill 1747 (Briggs) Statewide Need Study. This 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 bill makes a \$75,000 appropriation to CPEC to conduct the study.

Status: Held in the Senate Education Committee, August 7

Assembly Bill 1756 (Bogh) Higher Education: Noncitizen Students: Reporting. 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 30th 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: Failed Passage in the Senate Education Committee, June 12

Assembly Bill 2077 (Koretz) Nursing: Education Resources. As introduced, AB 2077 stated the intent of the Legislature to identify ways to increase the number of nurses by providing more opportunities and financial resources to educate and train nurses at the community college and state university levels. As amended on June 12, the bill would establish the Community College Nursing Education Fund to provide an additional allocation per nursing student beyond the full-time equivalent funding provided for community college students. The bill would make an appropriation of \$125,000 to the California Community Colleges for this purpose.

Status: Held in the Senate Education Committee, August 7

Assembly Bill 2120 (Simitian) Professional Development Block Grant. AB 2120 stated 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: Held in the Assembly Appropriations 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: Held in the Senate Education Committee, August 7

Assembly Bill 2497 (Negrete McLeod) CSU Probationary Employees: Probationary Proceedings. This bill would have authorized a nonacademic probationary employee who is rejected during probation to request a hearing before the State Personnel Board. The bill was dropped by Assembly Member Negrete McLeod after this issue was addressed in the collective bargaining agreement with the California State Employees Association.

Status: Dropped by Author

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 on Senate Floor

Senate Bill 1227 (Burton) Housing and Emergency Shelter Trust Fund Act of 2002. SB 1227 placed the Housing Bond and Energy Shelter Trust Fund Act of 2002 on the November 5 General Election ballot. If approved, \$2.1 billion in general obligation bond funds would be available 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: Signed by Governor Davis; Chapter 26, Statutes of 2002 (Proposition 46 on November General Election ballot)

Senate Bill 1339 (Vasconcellos) Postsecondary Education: Admissions. As amended, this bill would require the Superintendent of Public Instruction to advise school districts about the importance of making readily available to each high school student the list of courses that are certified by the University of California (UC) as meeting admission requirements. The bill would also request UC to assist each school district to ensure matters regarding UC and CSU admission requirements are understood and maintained by the school districts and to ensure that lists of courses certified as meeting admission requirement criteria are made available to each high school student.

Status: Pending on Senate Floor for Concurrence in Assembly Amendments

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: Pending on Assembly Floor

Senate Bill 1450 (Romero) CSU: General Purpose Funds. This bill would have required 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.

Status: Failed Passage in the Senate Education Committee, April 24

Senate Bill 1467 (Bowen) Public Contracts: Conflict of Interest. Senate Bill 1467 would apply standard Public Contract Code conflict of interest and penalty provisions to the state's procurement of information technology goods and services, as well as to procurement by the CSU and the University of California systems.

Status: Pending on Assembly Floor

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 be implemented only if a federal waiver is granted to make students enrolled in California institutions offering a baccalaureate degree in elementary education eligible for federal Pell Grants.

Status: Pending on Assembly Floor

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: Pending on Assembly Floor

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: Signed by Governor Davis; Chapter 225, Statutes of 2002

Senate Bill 1731 (Alarcon) Pupils: Graduation Requirements. This bill would state legislative intent that all high schools provide pupils the means to develop and implement "personal post-high school plans." The bill would define personal post-high school plan as a personal learning plan that indicates coursework that a pupil will undertake while in high school that will allow the pupil to implement his/her post-high school goals, which may include vocational training, entering the workforce, and/or enrolling in a college or university.

Status: Bill Amended August 22; No Longer Contains Above Subject Matter

Senate Bill 1820 (Romero) Postsecondary Education: Retention and Support Data. This bill would have required 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).

Status: Held on the Senate Appropriations Suspense File

The following bills, which appeared in previous Legislative Reports, are no longer active or no longer pertain to the CSU:

AB 2097(Diaz) CSU General Purpose Funds	Dropped by Author
AB 2433 (Steinberg) Teacher Professional Development Programs	Never Heard
AB 2528 (Jackson) Postsecondary Education: Nursing Science	Never Heard
SB 1493 (Alpert) Nursing Education	Amended; Pertains Only to Community Colleges
SB 1771 (Alarcon) University of California: Diversity	Amended, Pertains Only to UC

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that the 2001-02 Legislative Report No. 10 is adopted.