AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 2:15 p.m., Tuesday, January 28, 2003
Glenn S. Dumke Auditorium

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

Consent Items

Approval of Minutes of Meeting of November 12, 2002

Discussion Items

1. Adoption of Trustees’ Statement of Legislative Principles, Action
2. 2003/2004 Legislative Report No. 1, Action
3. California State University Federal Agenda for 2003, 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

November 12, 2002

Members Present

Murray L. Galinson, Chair
Roberta Achtenberg
Debra S. Farar, Chair of the Board
Robert Foster
Ralph R. Pesqueira
Frederick W. Pierce, IV
Charles B. Reed, Chancellor

Members Absent

Martha C. Walda, Vice Chair
Dee Dee Myers

Other Trustees Present

Harold Goldwhite
William Hauck
M. Alexander Lopez
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
Jackie R. McClain, Vice Chancellor, Human Resources
Christine Helwick, General Counsel
Louis Caldera, Vice Chancellor, University Affairs
Karen Y. Zamarripa, Assistant Vice Chancellor, Governmental Affairs

Chair Galinson called the meeting to order at 3:34 p.m.
Approval of Minutes

Chair Galinson requested that the minutes of September 17, 2002 be corrected to reflect that Trustee Erene S. Thomas was present.

The minutes of September 17, 2002 were approved as corrected.

2001/2002 Legislative Report No. 11

Ms. Karen Yelverton Zamarripa introduced the report noting she would be focusing on several different issues.

Ms. Yelverton Zamarripa began be extending her congratulations to the Board of Trustees, presidents, and vice chancellor Caldera on the successful passage of Proposition 47. She pointed out that the proposition got more votes than every other proposition on the November ballot, with the exception of Proposition 48, a technical matter pertaining to consolidation of the courts. It was also the largest bond measure in the country presented to voters during the election.

Ms. Yelverton Zamarripa then presented an in-depth re-cap of the statewide election results and how those results may affect the CSU.

With regard to the completion of the 2001/02 session, Ms. Yelverton Zamarripa indicated there were still a number of unresolved key issues. She said a final report was being prepared for distribution focusing not only on the bills we are following, but also on those that will have some impact, or set a trend for California in the future.

Among the consistent themes were: fiscal issues; not only those related to the budget, but also to taxes, fees, and tax conformity. Another area of significant concern and activity centered on the effects of the events of September 11, 2001, ranging from security and privacy issues, to anti-terrorism efforts, tuition waivers, scholarship opportunities for families and dependents affected by losses in September; and some specific efforts relating to further tightening up of privacy issues.

Ms. Yelverton Zamarripa pointed out that nursing still continues to be a contentious issue. Some of the primary concerns in this area include articulation, and our capacity for workforce training. It was noted CSU would also need to explore new methods for encouraging people to consider entering into the nursing field, through scholarships, and possibly tuition waivers and other means.

Academic standards and conflict of interest issues were also mentioned as areas still in need of further refinement and understanding.
The master plan still remains one of the primary areas of focus. Ms. Yelverton Zamarripa explained there is a final report on the master plan, however, there is still some uncertainty remaining on where CSU should go from this point forward. At this juncture we are being told there will be two omnibus bills, and that most of the focus will be on K-12 related issues. As a result, Ms. Yelverton Zamarripa stated she was unclear at this time, as to what CSU’s next steps will be with regard to the plan.

Ms. Yelverton Zamarripa also reported on the work being done with CPEC, and the ongoing discussions about the importance of the role they play in California. Another issue to examine is what, if anything, the state could be doing as it relates to development of a statutory fee policy in order to provide some predictability, stability, and recognition of the cost of education in California.

Looking toward to the new legislative session in January 2003, the first significant activity will be the release of the governor’s budget on January 10. Another matter of some concern will be the implications of Proposition 49’s passage, the initiative that encompasses before and after-school care programs within the guarantee of Proposition 98. It is estimated this program could have up to a half billion-dollar impact beginning in the 2004-05 fiscal year, thus creating additional pressure on other programs.

Health care costs are expected to be a major issue. The definition of qualified teachers and the 2005 deadline for meeting the standard for having qualified teachers in all our classrooms will be a prominent area of focus as well.

Ms. Yelverton Zamarripa reported there would also be another educational effort for the March 2004 ballot relating to the second bond act for public education facilities.

With regard to activity in the immediate future, she indicated proposals for the 2003 legislative session would be presented to the board in January. Initial discussions have taken place on the proposals submitted by campuses and the chancellor’s office, and those will be presented to the presidents in December for their consultation.

Chair Galinson thanked Ms. Yelverton Zamarripa for the complete and extensive report.

The committee recommended approval of the proposed resolution (RGR 11-02-07).

Trustee Achtenberg concluded by saying that to the extent we have enjoyed significant legislative success and warm cordial relations with most of the members of the legislature in a particularly trying year, that CSU owes a debt of gratitude to our very able advocate, Ms. Yelverton Zamarripa, and her very competent staff.

The meeting adjourned at 3:53 p.m.
COMMITTEE ON GOVERNMENTAL RELATIONS

Adoption of Trustees’ Statement of Legislative Principles

Presentation By

Karen Y. Zamarripa
Assistant Vice Chancellor
Governmental Affairs

Summary

This item consists of a briefing on the Trustees’ Statement of Legislative Principles, which are adopted by the Board of Trustees at the beginning of each legislative session.

Background

At the beginning of each two-year legislative session, the Board of Trustees adopts a formal Statement of Legislative Principles for the California State University. The principles provide basic parameters to guide positions taken by the Chancellor and Office of Governmental Affairs on matters pending before the California Legislature.

For the 1999-2000 Session, the principles were revised to recognize the CSU’s role in teacher preparation and partnerships with K-12 institutions. No revisions were proposed for the 2001-2002 Session. The revisions proposed below are of a clarifying nature, and seek in large part to recognize the current fiscal crisis in California.

Proposal

Statement of Legislative Principles

The following constitute the core principles guiding recommendations on legislation:

1. Preserve the California State University’s statutory and traditional authority over academic affairs and matters relating to internal governance of the university.
   a. Continue efforts to enhance and expand flexibility on internal matters and decision making by the Board of Trustees.
   b. Preserve the integrity of the collective bargaining process.
1. Continue to seek to preserve and enhance the capacity of the Board of Trustees to exercise its legislative, policy-making, budgetary, and operational responsibilities as established in the California State University's by-laws and approved by the California State University Regents.

2. Remain neutral on matters in which the state appropriately seeks to legislate the general public health and safety while not singling out the California State University uniquely.

3. Preserve the integrity of the California State University’s budgetary process, and seek adequate funding for ongoing operations, mandatory costs, contractual obligations, increased enrollment, and state-mandated programs.
   a. Provide that all funds must be appropriated to the Board of Trustees.
   b. Proposals for operational and academic programs, and capital outlay needs must be approved and placed in priority order by the Board of Trustees through the budgetary process.

4. Preserve the integrity of the California State University’s efforts to prepare teachers and administrators for K-12 schools in California and encourage the development and maintenance of partnerships with K-12 schools to improve student achievement and teacher quality at all levels.

5. Seek to influence the outcome of issues which, while not affecting the California State University alone, would have a disproportionate impact on the university’s activities.

6. Seek to provide for representation of the California State University on appropriate boards, commissions, task forces, study groups, etc., that may have an impact on the system.
   a. Representatives to such bodies shall be appointed by the Board of Trustees or the Chancellor.
   b. Remain neutral on proposals for studies when sufficient funding has been provided to cover the study costs, or when the study costs are not anticipated to be of a magnitude to impact the system budget.
7. When taking positions on significant issues in pending actions on behalf of the system, the Chancellor or his staff, when practical, will discuss the matter with the chairs of the Systemwide Academic Senate, California State Students Association, and President of the Alumni Council.

8. The Chancellor is recognized as the spokesperson for positions on behalf of the Board of Trustees and the California State University system. Whenever practical, the positions taken should be discussed with the chair of the Committee on Governmental Relations and the chair of the Board of Trustees.

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that the Statement of Legislative Principles in Agenda Item 1 of the January 28-29, 2003 meeting of the Trustees’ Committee on Governmental Relations be adopted as amended, and be it further

RESOLVED, That the Chancellor is authorized to take positions on pending legislation on behalf of the Board of Trustees and California State University system; and be it further

RESOLVED, That the Chancellor shall keep the Board regularly informed of the positions taken and of such other matters affecting governmental relations as is deemed necessary and desirable.
COMMITTEE ON GOVERNMENTAL RELATIONS

2003/2004 Legislative Report No. 1

Presentation By

Karen Y. Zamarripa
Assistant Vice Chancellor
Governmental Affairs

Summary

This item contains a presentation of items for inclusion in the Trustees’ Legislative Program for 2003.

Background

After a brief organizational session in early December, the Legislature convened on January 6th to begin the 2003-04 Regular Session. An Extraordinary Session was called by Governor Davis in December, to run concurrently with the Regular Session, to deal with the fiscal crisis currently facing California.

The following dates correspond with the key milestones for the first year of the two-year legislative session:

February 21   Last day to introduce bills
May 2        Last day for policy committees to hear bills for referral to fiscal committees
May 30       Last day for fiscal committees to report bills to the floor in the house of origin
June 6       Last day for bills to be approved on the floor in house of origin
July 11      Last day for policy committees to hear and report bills in their second house
July 18      Summer Recess begins, provided Budget Bill has been enacted
August 18    Legislature reconvenes
August 29    Last day for fiscal committees to report bills to the floor in the second house
September 12 Last day for any bill to be passed; Interim Recess begins upon adjournment

New Proposals for 2003

The following proposals are presented to the committee for approval for inclusion in the Trustees’ 2003 Legislative Program. Each item has advanced through several levels of review,
Ensuring Access to the Cal Grant Community College Transfer Entitlement Program. This proposal would make statutory amendments to the Cal Grant Community College Transfer Entitlement Program to achieve two goals: (a) remove language restricting this entitlement to those under the age of 24, and (b) adjust the GPA that is required to be eligible for the program to conform with current CSU admissions requirements.

In 2000, the State Legislature greatly expanded the Cal Grant program by creating entitlements blending merit and need-based financial aid. Of the Cal Grant awards, the California Community College (CCC) Transfer Entitlement has the greatest potential to provide financial aid to the segment of higher education students who experience the greatest need for such aid. However, the entitlement is structured in such a way that CCC students over 24 years old who desire to transfer to a four-year university cannot participate due to the age restriction set forth in current law.

Initially, this age restriction was agreed to by the CSU as a cost containment provision allowing the legislation to advance through the process. However, it has become clear that the restriction is harmful to a large portion of students with great financial need, and contrary to the Master Plan for Education, which stipulates that all students, regardless of age, should be entitled financial aid if they meet the need-based requirements.

Another provision in the CCC Transfer Entitlement Program requires that students maintain a community college GPA of 2.4 in order to be eligible for the award. However, transfer students are CSU-eligible if they maintain a 2.0 GPA. Therefore, the current statutory GPA requirement disenfranchises a significant number of transfer students, many of whom want to attend CSU.

California Maritime Academy Legislative Appointment Program. This proposal would establish the California Legislative Cadet Appointment Program (CLCAP) for the California Maritime Academy (CMA). The program, similar to one recently instituted at the State University of New York Maritime College, would expand the CMA’s reach to students throughout California by allowing each member of the State Legislature to appoint one academically qualified student annually from his or her district for each academic year. In addition, the Governor would receive five appointments statewide. The program would provide financial aid to appointees that could be applied to mandatory fees, including room, board, books and uniforms for the duration of his or her participation at CMA.

The CMA is the smallest campus in the CSU system, and focuses on a very narrow range of academic programs. This narrow specialization of the campus results in the CMA’s relatively
low visibility with policymakers in the State Legislature. As a result, most members do not understand the value of CMA to the state economy and key industries as well as the success of its students in the workforce immediately upon graduation. In addition, students and high schools throughout the state are generally unaware of the unique programs and opportunities at CMA.

Conflict of Interest for CSU Personnel. Under this proposal Executive, Management Personnel Plan (MPP), and Academic employees of the California State University would be required to report on outside employment and business activities to ensure that such activities do not constitute a conflict of interest with CSU employment or conflict with normal work assignments or the satisfactory performance of duties. In this era of public accountability, many governmental entities currently require their employees to disclose outside employment or business activities. In addition, many private sector employers require their employees to notify their supervisor of such activities.

International Polytechnic High School: Specialized Secondary Funding. This proposal would seek enhanced funding, through the budget process, for the International Polytechnic High School (I-Poly), a public specialized secondary school operated and housed at Cal Poly, Pomona.

I-Poly, which is a partnership between the campus and the Los Angeles County Office of Education, provides its students with an interdisciplinary and project-based curriculum with global and international themes, while also serving as a professional development site for the University’s students. The school serves a large number of academically average, ethnically diverse students, many of whom come from disadvantaged backgrounds. Over 90% of I-Poly graduates go on to college. The project-based curriculum gives these graduates a set of analytical and conflict resolution skills that make the transition to adulthood much easier.

Given the school’s low enrollment (a maximum of 500) and the nature of its specialized program, I-Poly faces challenges in meeting student needs similar to those faced by two other specialized high schools in the area, the California Academy of Math and Science (CAMS) at CSU Dominguez Hills, and the Los Angeles County High School for the Arts (LACHSA) at CSU Los Angeles. Small schools like these cannot cover their full costs with only Average Daily Attendance (ADA) from the host district/county office, and have greater costs due to their specialized nature.

Omnibus Proposals. The CSU frequently sponsors “omnibus” legislation containing non-controversial and/or technical changes to the various codes. For the past several years, the omnibus proposals have been included in legislation authored by the Assembly Higher Education Committee. Once the members of the committee have approved the content of the measure, it typically advances through the legislative process without incident.
The following proposals have been submitted for consideration as omnibus candidates:

**Repeal Government Code Section Pertaining to Lottery Payments.** This proposal would delete an obsolete reference in the Code to the California Maritime Academy (CMA) Board of Governors which no longer applies given the CMA’s formal inclusion in the CSU.

**Amend Government Code Section Pertaining to CSU Lottery Education Fund To Reflect CSU Authority.** This proposal would amend Government Code section 8880.5 to reflect recently-gained CSU authority providing CSU discretion to deposit lottery funds in local trust accounts.

**Repeal Education Code Section Pertaining to Auxiliary Organization Obligations.** Education Code Section 89911 was added to the Code by CSU-sponsored legislation in 1988 to enable favorable tax treatment of auxiliary organization revenue bonds. Since that time the IRS has issued a revenue ruling which assures favorable treatment, and this section is problematic to CSU’s position that CSU auxiliary organizations are separate from the State. It is therefore proposed that it be repealed.

**Amend Education Code Section to Update Internal Citation.** This proposal would update an internal citation in Education Code Section 90404 pertaining to the CSU’s mission, which is located in a different code section than it was at the time that Section 90404 was adopted.

**Amend Government Code Section to Include CSU Peace Officers.** This proposal would add CSU peace officers to a prohibition against posting of the home address or telephone number of public safety officers and their family members on the Internet in a threatening manner or with intent to cause them harm.

**Repeal Government Code Section Pertaining to CSU Retired Faculty.** This would make a technical change to the Government Code allowing CSU retired faculty who took advantage of an early-retirement incentive in 1992 to return to the classroom to assist campuses in serving students without forfeiting their service credit. This provision was included in omnibus legislation carried in 2002 by the Senate Public Employment and Retirement Committee; however, that bill was vetoed by the Governor due to his concern with an unrelated section of the bill.

Should they arise during the course of the legislative session, additional non-controversial or technical items may be added to the omnibus bill.
Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of The California State University, that the legislative proposals described in this Agenda Item 2 of the January 28-29, 2003 meeting of the Trustees’ Committee on Governmental Relations are adopted as the 2003 Board of Trustees’ Legislative Program.
COMMITTEE ON GOVERNMENTAL RELATIONS

California State University Federal Agenda for 2003

Presentation By

Louis Caldera
Vice Chancellor
University Advancement

James M. Gelb
Assistant Vice Chancellor
Federal Relations

Summary

This item contains a presentation of items for inclusion in the 2003 CSU Federal Agenda.

Background

In anticipation of the onset of the 108th Congress, this past fall the CSU Office of Federal Relations ("OFR"), in coordination with the Chancellor’s Office, began what will be an annual process designed to produce a well-honed federal agenda. This system-wide agenda will help the CSU bring to bear its collective assets, and help decision-makers, opinion leaders and CSU supporters in Washington understand the system’s priorities for the new year. In September 2002, Chancellor Reed sent a memo to all 23 CSU presidents and the Executive Staff soliciting recommendations and outlining criteria for the system-wide 2003 Federal Agenda. The Chancellor’s memo solicited proposals in two distinct areas: (1) federal legislative and regulatory policy; and (2) CSU projects for which direct federal funding will be sought.

The items proposed below for inclusion in the 2003 Federal Agenda were selected from submissions and have advanced through several levels of review, including Academic Affairs, Executive Council, and the Chancellor and his executive leadership staff.

Federal Policy Proposals for 2003

Because the 108th Congress will undertake reauthorization of the Higher Education Act of 1965, which significantly impacts the CSU, the OFR will work continuously to ensure that the system’s interests are advanced during the reauthorization process. While the CSU will continually be called upon to respond to HEA proposals made by others, including members of
Congress and the U.S. Department of Education, the following are items proposed for proactive pursuit at this time:

1. Campus-Based Programs Allocation Formula: This formula affects federal student aid dollars in three programs (Supplemental Educational Opportunity Grants; Work-Study; Perkins Loans) that are allocated to postsecondary institutions for award to students. The CSU will advocate altering the current formula, in particular its base guarantee, to better allocate funds for institutions with growing student populations.

2. Community Service Provisions in Work Study Program: The CSU will advocate increasing incentives in this program for campus participation in community service activities, including reallocation of campus-based funds to give a larger share to schools that spend a greater percentage of their Federal Work Study funds for community service.

3. Early Intervention Programs: The CSU will advocate preserving and expanding key federal programs (GEAR UP and TRIO) vital to preparing underrepresented students for college and decreasing the need for remediation. The programs should be expanded to include community based organizations that serve underrepresented students. There should also be incentives for colleges to form partnerships with high schools to develop college preparatory programs for disadvantaged students.

4. International Education Programs: The CSU will advocate expansion of HEA programs that promote global awareness and understanding in the post 9/11 world, including providing incentives for development of international education programs, and creating opportunities for students, faculty and staff to study abroad and for campuses to serve as hosts for those from abroad.

5. Science, Technology, Engineering and Mathematics (STEM) fields: The CSU will advocate programs promoting the participation and success of diverse California students in STEM fields.

6. Developing and Hispanic Serving Institutions: The CSU will work to assure that its campuses receive a fair share of the benefits of programs in Title III and Title V of the HEA that are designed to strengthen developing and Hispanic Serving institutions.

7. Federally supported research: The CSU will advocate broadening the federally supported research base to include more support for comprehensive universities, including in programs outside the HEA.
Federal Project Proposals for 2003

More than 60 projects were proposed by the campuses for inclusion in the 2003 Federal Agenda. The following list of projects is recommended at this time for inclusion in the system-wide federal agenda for 2003. Among other things, this means the OFR will seek support in the relevant appropriations committees for FY ’04 funding for these items from all members of the California Congressional delegation. The campuses will remain free to pursue any projects approved by their presidents that are consistent with system interests and coordinated with the OFR. The OFR will continue to work with the campuses to refine and develop project proposals, and to assist them in working productively with their representatives in Congress. Because the Congress has yet to complete its work on most FY ’03 appropriations at this writing, and in light of the inherently shifting nature of campus, state and national priorities, this list may change from time to time.

1. California Center for Integrative Coastal Research (CI-CORE): a multi-campus coastal research initiative that will provide real-time access to extensive environmental data to regulatory agencies responsible for the development and enforcement of management policies.

2. Agricultural Research Initiative (ARI): a multi-campus initiative supporting high impact applied agricultural and related environmental research, development, and technology transfer, as well as public and industry education and outreach.

3. California Consortium for Applied Genomics, Bioinformatics and Information Technology (an initiative of CSUPERB): a multi-campus initiative to enhance applied research in microbial defense areas, develop collaborative research programs, support development of education programs in the fields of epidemiology and microbial sciences, train emergency personnel, and garner resources leading to the development of new antibiotics to treat bioagents.

4. CSU College Access Initiative: a multi-campus initiative to develop a “college-going culture” in the Central Valley, to make a significant impact on the future educational and economic status of Hispanic and other minority populations that are underrepresented in the CSU system.

5. CSU Distance Learning Project: a multi-campus initiative to create a multi-discipline, knowledge-based distance learning program for the U.S. Navy’s civilian workforce, yielding products that could be used in state-supported degree programs, military training projects, and commercial ventures.
6. International Center for Water Technology (ICWT): funding to build new center as a collaborative venture between industry, academia, and public agencies to develop and promote new technologies to maximize water use for urban, environmental and agricultural applications.

7. Center for the Commercial Deployment of Transportation Technologies (CCDoTT): funding for research and development activities that support and contribute to technological advancement of intermodal transportation strategies in the military and commercial areas.

8. Spill Crisis Management Simulator: a proposal to construct a simulator in Vallejo able to provide training for oil spill prevention and clean up, as well as research on marine environments affected by oil spills, pollution, and clean-up operations.


10. Center for Commercialization of Advanced Technology (CCAT): funding to expand program for commercializing new technologies developed in government labs, and seeking out technologies developed in the private sector that may have government uses, such as homeland security.

11. Southwest Center for Environmental Research and Policy (SCERP): funding to expand current program to address environmental issues in U.S. – Mexico border region, allowing center to focus attention on obtaining information, contingency planning, and emergency response preparedness with respect to environmental hazards.

12. Terrorism Preparedness Program for Military Personnel and their Families: funding to develop a pilot weapons of mass destruction preparedness program for military personnel and families, and integrate it with surrounding military preparedness programs.

13. CSU Nursing and Health Care Professionals Initiative: funding for programs at Stanislaus and San Marcos (and perhaps others) designed to help meet regional, state and national needs for nurses and other allied health care professionals.
Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that the federal legislative program described in this Agenda Item 3 of the January 28-29, 2003 meeting of the Trustees’ Committee on Governmental Relations are adopted as the 2003 CSU Federal Agenda.