AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 2:00 p.m., Tuesday, May 9, 2000
Glenn S. Dumke Conference Center

Martha C. Fallgatter, Vice Chair
Roberta Achtenberg
William D. Campbell
Debra S. Farar
Bob Foster
Neel I. Murarka
Dee Dee Myers
Ralph R. Pesqueira

Consent Items
Approval of Minutes of Meeting of March 15, 2000

Discussion Items
1. 1999-2000 Legislative Report No. 9, Action
2. Initiative Constitutional Amendment: Local School Facilities Bonds: 55 Percent Vote, Action
Chair Otomo-Corgel called the meeting to order at 8:47 a.m.

Approval of Minutes

The minutes of January 26, 2000, were approved.

1999-2000 Legislative Report No. 8

Chair Otomo-Corgel asked Ms. Karen Yelverton Zamarripa, assistant vice chancellor, governmental affairs, to present the report.

Ms. Yelverton Zamarripa provided the committee with a status report on the March 7 Primary Election, noting the results of several legislative races as well as a few propositions of interest to the CSU that were on the ballot. She stated that term limits led to several tough primary races, with sitting Assembly members facing each other for open Senate seats in several districts and shifts
between Assembly and Senate members. Overall, she noted, this year’s elections will bring significant changes, resulting in CSU having to establish new relationships with many new members. The Assembly will also have a new Speaker in mid-April, exacerbating these changes.

Turning to legislation, Ms. Yelverton Zamarripa stated that 300 bills have been introduced that have some impact on or interest to the CSU. Teacher preparation and recruitment have been prominent trends in this year’s legislation, she noted. She pointed out two bills of significant interest: Assembly Bill 2409 (Migden & Runner), which pertains to year-round operations and how higher education will fund the transition, and Senate Bill 1450 (McPherson), which contains the Senate Republican Caucus’s proposal to reduce student fees at the CSU and UC by 50 percent. Finally, she noted that job training remains an interest for some in the Legislature, with several bills focusing on school-to-career programs.

Ms. Yelverton Zamarripa stated that all bills sponsored by the Board of Trustees have now been introduced:

Assembly Bill 172 (Firebaugh), legislation to establish a scholarship and fee-waiver program for CSU students and students at Mexican universities to participate in an educational program in the other country.

Assembly Bill 632 (Romero), which would exempt holders of an emergency permit who are employed in a school district, the group targeted by our CalStateTEACH program, from paying nonresident tuition.

Assembly Bill 2384 (Higher Education Committee), omnibus legislation that includes several items sponsored by the Board of Trustees, including authorization of auxiliary organization boards to meet in closed session to protect donor confidentiality, and streamlining/clarification of the CSU’s procurement authority.

Senate Bill 303 (Johnston), which would make the appropriate statutory changes to allow K-12 bond funds to be spent on projects that are located on leased property, to allow funding for joint facility projects such as the California Academy of Mathematics and Science at CSU Dominguez Hills and the CSU Stanislaus Stockton Center.

Senate Bill 1547 (Costa), to provide the CSU statutory authority to dispose of real property systemwide without legislative approval, and to deposit the proceeds in local trust funds for campus-specific needs.

Senate Bill 1779 (Johnston), to permit revenues of projects funded by bonds issued by the trustees to be shared with other self-supporting revenue funded projects with debt obligations. This would allow campuses to have greater flexibility in how revenue from nonstate funded fee-based programs is used to support construction, maintenance, repair and acquisition of such projects.
Ms. Yelverton Zamarripa also noted the following bills of interest, all of which are part of Governor Davis’s Education Legislative Package for 2000:

Senate Bill 1505 (Alarcon), which includes statutory authorization for the Governor’s Teaching Fellowships Program, designed to recruit the best and the brightest students into the teaching profession and to be administered by the CSU.

Assembly Bill 1941 (Wright), which would provide professional development opportunities to nearly 70,000 teachers at institutes jointly administered by the University of California and CSU, as well as independent colleges and universities in the state.

Assembly Bill 1942 (Reyes), legislation that establishes the Education Technology Professional Development Program to be administered by the CSU to provide teachers instruction on how to best integrate the use of technology in the classroom.

Trustee Gould inquired about the fate of the CSU Los Angeles crime lab facility in light of the failure of the bond measure. Ms. Yelverton Zamarripa replied that local conversations on appropriate next steps have occurred, with the encouragement of Assembly Speaker-elect Hertzberg. President Rosser indicated there is possible consideration for putting the measure on the city local bond ballot.

**Adjournment**
The meeting adjourned at 9:04 a.m.
BRIEF

Action Item

Agenda Item 1

May 9-10, 2000

COMMITTEE ON GOVERNMENTAL RELATIONS

1999-2000 Legislative Report No. 9

Presentation By
Karen Yelverton Zamarripa, Assistant Vice Chancellor
Governmental Affairs

Summary
This item contains a status report on the Board of Trustees’ 2000 Legislative Program and active priority legislation in the 1999-2000 Session.

Recommended Action
Adoption of the resolution.
## COMMITTEE ON GOVERNMENTAL RELATIONS

### 1999-2000 Legislative Report No. 9

Date: 4/10/00

1. 1999-2000 Legislative Program Status Report

<table>
<thead>
<tr>
<th>BILL</th>
<th>Author-Subject</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 108</td>
<td>(Mazzoni) Statewide Subject Matter Projects</td>
<td>Pending consideration by Senate Appropriations Committee.</td>
</tr>
<tr>
<td>AB 252</td>
<td>(Scott) Financial Aid: Year-Round Attendance</td>
<td>Pending consideration by Senate Education Committee.</td>
</tr>
<tr>
<td>AB 632</td>
<td>(Romero, Lowenthal) Exemption from Non-Resident Tuition: Emergency Permit Holders</td>
<td>Pending consideration by Senate Education Committee.</td>
</tr>
</tbody>
</table>

### Items Approved in 2000

<table>
<thead>
<tr>
<th>BILL</th>
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<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 172</td>
<td>(Firebaugh) California-Mexico Students Program</td>
<td>Pending consideration by Senate Education Committee.</td>
</tr>
<tr>
<td>AB 2384</td>
<td>Omnibus Bill: Authority of Auxiliary Organizations to Meet in Closed Session; Repeal of Outdated Student Health Center Statute; CSU Procurement Authority; Financial Aid Resources in Local Trust Accounts</td>
<td>Set for Hearing in Assembly Higher Education Committee, April 25.</td>
</tr>
<tr>
<td>SB 303</td>
<td>(Johnston) Use of State School Bonds for Construction on Property Not Owned by a School District</td>
<td>Pending consideration by Assembly Appropriations Committee.</td>
</tr>
<tr>
<td>SB 1547</td>
<td>(Costa) Authority to Dispose of Non-Gifted Real Property</td>
<td>Approved by Senate Education Committee, April 12.</td>
</tr>
<tr>
<td>SB 1779</td>
<td>(Johnston) Campus Enterprise Debt Program</td>
<td>Set for Hearing in Senate Education Committee, April 26.</td>
</tr>
</tbody>
</table>

**Policy** - That committee which evaluates policy implications of bills (e.g., Education, Judiciary, Retirement)

**X** - Indicates Action Taken

**H** - Indicates Held in Committee
Status of Priority Legislation

Regular Session Legislation Carried Over From 1999

SB 179 (Alpert) Model Alternative Teacher Preparation Programs
As amended 1/12/00, SB 179 would require the Commission on Teacher Credentialing to ensure that any expansion of local teacher education internship programs allowed under existing law be fully integrated and cooperatively taught.  
Status: Assembly Education Committee (author may not pursue)

SB 338 (Wright) Intercollegiate Athletics: Discontinuation
This bill would require a public institution of higher education to provide a one-year advance notice of any proposed discontinuation of an intercollegiate athletic team by a number of means.  
Status: Assembly Higher Education Committee (author may not pursue)

SB 860 (Hughes) Labor Relations
As amended in the Senate Education Committee, SB 860 would amend the Higher Education Employee Relations Act (HEERA) to provide for penalties for repeated unfair labor practices.  
Status: Approved by Senate; pending assignment to Assembly Committee

SB 1132 (Costa) Capital Facilities Fees
This bill would allow public water agencies to unilaterally impose capital facilities fees on educational institutions such as the CSU by embedding unauthorized fees in monthly service charges, overturning a long-standing agreement negotiated in 1988 between public water agencies and those public agencies that are dependent upon them for water and wastewater service.  
Status: Pending consideration by Assembly Appropriations Committee

Legislation Introduced in 2000

Governor’s Education Initiatives

Senate Bill 1503 (Polanco) Merit Scholarship Program, Algebra Institutes
Senate Bill 1503 would establish the Governor’s Merit Scholarship Program, under which a $1,000 scholarship would be awarded to each public high school pupil who demonstrates high academic achievement on the statewide achievement test. The bill would also establish the Governor’s Distinguished Mathematics and Science Scholars Program, under which a $2,500 scholarship would be awarded to high school pupils who demonstrate high academic achievement on the statewide achievement test and attain a specified score on an advanced placement calculus examination and an advanced placement examination in biology, chemistry, or physics.  
Status: Approved by Senate Education Committee, April 5
Senate Bill 1504 (Escutia)  Advanced Placement Program
This bill would establish the Advanced Placement Challenge Grant Program, under which a high
school would design and implement a plan that would result in its pupils having access to at least
four advanced placement courses in core curriculum areas.
**Status:** Set for Hearing in the Senate Education Committee, April 26

Senate Bill 1505 (Alarcon)  Teachers: Recruitment and Incentives
Among other provisions, Senate Bill 1505 would establish the Governor’s Teaching Fellowship
Program (to be administered by the California State University), under which graduate teaching
fellowships would be awarded to graduate students who agree to teach at a low-performing school
for four years.
**Status:** Set for Hearing in the Senate Education Committee, April 26

Assembly Bill 1941 (Wright)  Teachers: Professional Development Institutes
This bill provides statutory authorization for several programs that would offer professional
development for 70,000 teachers through week-long, university-based intensive training with follow-
up throughout the school year: Algebra Institutes; High School Math and English Institutes; Upper
Elementary Math Institutes; English Language Learner Institutes; and Subject Matter Project
Expansion.
**Status:** Approved by Assembly Higher Education Committee, March 28
Approved by Assembly Education Committee, April 12

Assembly Bill 1942 (Reyes)  Education Technology and Professional Development Grants
Assembly Bill 1942 would provide $175 million for K-12 schools to provide one-time grants to
school districts to acquire computers for instructional purposes, and establishes the Education
Technology Professional Development Program (administered by the CSU) to provide teachers
instruction on how to best integrate the use of technology in the classroom.
**Status:** Approved by Assembly Education Committee, March 29

Assembly Bill 1943 (Villaraigosa)  University of California: Institutes for Science and Innovation
This bill would authorize the University of California to establish three California Institutes for
Science and Innovation for the purpose of combining technological and scientific research and
training and educating future scientists and technological leaders.
**Status:** Approved by Assembly Higher Education Committee, March 28

Additional Legislation

Assembly Bill 1773 (Romero)  Intellectual Property: Ownership
Assembly Bill 1773 would provide that a faculty member of the California Community Colleges,
the California State University, or the University of California has an exclusive ownership in any
presentation in a classroom, laboratory, library, studio, or any other place of instruction, performance,
or exhibition. The bill would prohibit any person from recording or making any use of a presentation
or transferring the record of the presentation to a third person without the prior written permission of the faculty member. In addition, the bill would require each segment to adopt regulations governing a violation of these provisions by students, along with applicable penalties for a violation of the regulations.

**Status:** Set for Hearing in the Assembly Judiciary Committee, April 25

**Assembly Bill 1857 (Romero) Student Body Organizations: Open Meetings**
This bill would modify open meeting requirements for student body organizations to include greater flexibility and protection. The bill has been sponsored by the California State Student Association to address several issues identified as problems resulting from existing open meetings law, including the inability to conduct a meeting by teleconference and the lack of a provision to protect the rights of the public and students to address a governing board.

**Status:** Set for Hearing in the Assembly Higher Education Committee, April 25

**Assembly Bill 1935 (Wildman) Higher Education Labor Relations.**
Assembly Bill 1935 would include “all foundations, extension operations, or other organizational entities controlled by the Trustees of the California State University” among the defined employers and employees who collectively bargain with employees under the Higher Education Employer-Employee Relations Act.

**Status:** Set for Hearing in the Assembly Higher Education Committee, April 25

**Assembly Bill 2138 (Keeley) Higher Education Labor Relations: Mediation.** This bill would significantly alter impasse resolution procedures under the Higher Education Employer-Employee Relations Act, proposing a binding fact-finding process under which the fact-finding panel would resolve an impasse by choosing, on an issue-by-issue basis, between the last best offer of each party.

**Status:** Approved by the Assembly Higher Education Committee, April 10

**Assembly Bill 2143 (Lempert) Higher Education Labor Relations.** Under existing law, certain statutes governing terms and conditions of employment for CSU employees in higher education are superseded to the extent they conflict with a memorandum of understanding. Assembly Bill 2143 would mandate that such statutes providing a minimum level of benefits and rights would only be superseded where terms of a memorandum of understanding provide benefits or rights in excess of the statutory minimums.

**Status:** Approved by the Assembly Higher Education Committee, April 10

**Assembly Bill 2409 (Migden and Runner) Public Postsecondary Education: Year-Round Operations.**
Assembly Bill 2409 would request UC, and require CSU, to phase in year-round operations and provide the same level of course offerings and quality of instruction in all terms of the academic year, with first priority being campuses where the space required for eligible applicants far exceeds the space available.

**Status:** Set for Hearing in the Assembly Higher Education Committee, April 25
Senate Bill 1330 (Alpert)  Assumption Program of Loans for Education.
This bill would increase the maximum amount of loan assumption benefits that can be earned in the Assumption Program of Loans for Education (APLE) for individuals committing to teach for four years in a low-performing school. The bill also makes a variety of changes to generally streamline and facilitate the administration of the APLE program.
Status:  Approved by the Senate Education Committee, April 5

Senate Bill 1450 (McPherson)  Public Postsecondary Education: Student Fees
SB 1450 would reduce student fees at the California State University (CSU) and the University of California (UC) for the 2000-01 year by 50 percent.
Status:  Set for Hearing in the Senate Education Committee, April 26

Senate Bill 1604 (O’Connell)  California State University Board of Trustees
This bill would increase the membership of the CSU Board of Trustees by requiring the governor to appoint a non-faculty employee of the university for a two-year term.
Status:  Approved by Senate Education Committee, April 5

Senate Bill 1747 (Alpert)  California Postsecondary Education Commission: CSU Study
This bill would require CPEC to conduct a comprehensive study of the impact of discrimination, the segregation of jobs by gender or race, and the undervaluation of women’s work on the wage gaps between male and female employees of the CSU.
Status:  Set for Hearing in the Senate Education Committee, April 26

Senate Bill 1788 (Burton)  Student Financial Aid: Cal Grant B Program
Senate Bill 1788 would modify existing law pertaining to the Cal Grant program to ensure that students who have been awarded a Cal Grant B receive sufficient funds to cover the costs of such items as books, supplies, transportation, and meals. The bill would also establish the Community College Financial Aid Outreach Program, to provide information regarding financial aid opportunities to community college students and their families, and require the Student Aid Commission to establish a rolling application system for the Cal Grant program.
Status:  Approved by the Senate Education Committee, April 5

Senate Bill 2118 (Poochigian)  Postsecondary Education: Cal Grant Policy
Existing law pertaining to the Cal Grant Program states that the program shall maintain a balance between the state’s policy goals of ensuring student access to, and selection of, an institution of higher education for students with financial need. This bill would change the policy to specify a goal of ensuring access to and selection of an institution for students with financial need and academic merit.
Status:  Set for Hearing in the Senate Education Committee, April 26
Adoption of the following resolution is recommended:

**RESOLVED**, By the Board of Trustees of The California State University, that the 1999-2000 Legislative Report No. 9 is adopted.
COMMITTEE ON GOVERNMENTAL RELATIONS

Initiative Constitutional Amendment: Local School Facilities Bonds: 55 Percent Vote

Presentation By
Karen Yelverton Zamarripa, Assistant Vice Chancellor
Governmental Affairs

Summary
The Board of Trustees formally endorsed Proposition 26, an initiative that appeared on the March Primary Election ballot to provide for majority vote approval of local school facilities bonds. The initiative failed by a narrow margin, and Governor Gray Davis recently announced his support for an initiative that would lower the voter approval threshold to 55 percent. This initiative, the “Smaller Classes, Safer Schools and Financial Accountability Act,” has been submitted for processing and is expected to appear on the November General Election ballot.

This item contains a summary of the issues surrounding this initiative.

Recommended Action
The trustees should determine if they wish to adopt a formal position on this initiative.
Initiative Constitutional Amendment: Local School Facilities Bonds: 55 Percent Vote

Purpose
An initiative to amend the California Constitution to allow passage of local school bond issues with a majority of 55 percent, rather than the two-thirds vote currently required, has been submitted to the Attorney General for processing and is expected to appear on the November 2000 General Election ballot. This item provides the trustees an opportunity to determine whether they wish to adopt a formal position on this initiative.

Facilities Needs and Student Achievement
The California Department of Finance (DOF) estimates the state’s K-12 public school enrollment will increase by nearly one million students over the next decade. To serve those students, the California Department of Education (CDE) has projected the need over that time period for K-12 facilities to be as high as $46.6 billion. The CDE also reports that 55 percent of California’s public school buildings are over 30 years old, and that a major investment in modernization is essential to enable schools to use computers and other technology as part of their instructional programs.

Research evidence has indicated that there is a minimum level of quality for a school facility below which student and teacher effectiveness can be seriously compromised. Many researchers view existing school facilities as obstacles to educational improvement, noting that schools need enough room to design areas for special activities such as science labs and library/media centers.

California’s Class Size Reduction program (CSR) also has exacerbated the need for new and improved school facilities. In the first two years of CSR implementation, the state’s elementary schools added 28,000 new classroom spaces, with a heavy reliance on portable classrooms.

In 1998, California voters approved Proposition 1A, a statewide education bond act to provide $9.2 billion, over four years, for new construction and repairs of public elementary schools, high schools, community colleges, and universities. Of that amount, $6.7 million was dedicated to K-12 schools. However, in order to receive funds from Proposition 1A, local communities must provide 50 percent of the costs of building new schools and 20 percent of the costs of repairing old schools. This local money can be raised through any combination of developer fees, local bonds, and other sources of local funds.

Historical Background: Two-thirds Vote Requirement
The state constitution requires a 2/3 vote on all local general obligation bonds. Such bonds were prohibited in 1978, but local school district bonding capacity was reinstated in 1986 when Proposition 146 was approved. Since that time, there have been 473 attempts by school districts to pass general obligation bonds, with a 50 percent passage rate (237-236) during that time. The successful measures authorized more that $8.7 billion in capital expenditures, while the aggregate of the unsuccessful measures totaled $6.8 billion.
There have been several legislative efforts to remove the 2/3 vote requirement since 1990, including SCA 12 (O'Connell) in 1997, which was co-sponsored by Governor Pete Wilson. In 1993, Proposition 170, which would have authorized majority approval for local general obligation bonds of school districts, community college districts, and counties, failed at the polls. In March 2000, Proposition 26 failed by a narrow margin, and voter research following the election indicated that voters who did not support lowering the approval threshold to a simple majority would support an initiative lowering the threshold to 55 percent.

**Initiative**

The initiative that would appear on the November ballot would authorize 55 percent approval for local school bonds, authorize property taxes in excess of 1 percent to pay the bonds, and prohibit bond use for teacher and administrator salaries and other school operating expenses. Similar to Proposition 26, the initiative would also implement accountability requirements including annual performance and financial audits, and a requirement that a specific list of projects to be built with bond money be provided to voters. Finally, it would provide that charter schools are entitled to facilities that are equitable to those provided to other public school students.

It is expected that the broad coalition that supported Proposition 26 will support the new initiative in November. This coalition included the California Building Industry Association, California Business Roundtable, California Chamber of Commerce, California Manufacturers Association, Association of California School Administrators, California School Boards Association, California School Employees Association, California Teachers Association, Community College League of California, American Federation of State, County and Municipal Employees, and the California State Association of Counties.

**Arguments in Support of Initiative/Rationale for CSU Support**

As the primary source of teachers for California’s public schools, the CSU is expected to play a central role in supporting improvements in the state’s K-12 schools. Demonstrating CSU’s support for K-12 schools and community colleges will reinforce the view that education in California should be viewed as a seamless K-university system. Many of the initiatives contained within Cornerstones cannot succeed unless K-12 schools are able to function at a level that will allow their students to succeed.

In addition, the state’s level of bonded indebtedness continues to be a concern to policymakers. To the extent that funding of K-12 facilities can be shifted to the local level, the pressure on the state to fund these facilities through general obligation bonds will lessen and allow more room for state programs such as CSU.
Arguments presented by supporters of the initiative include:

- The 2/3 vote requirement is inherently undemocratic; public policy and our statewide decision-making process rely on a majority vote. California is one of only seven states that require a 2/3 majority for local school bonds.

- This initiative will return authority and responsibility for local schools and community colleges to local communities.

Probable Arguments in Opposition

The California Taxpayers Association (Cal-Tax), which in the past had opposed any initiative to lower the voter approval threshold for local bonds, did not take a position on Proposition 26. The initiative was opposed by the Howard Jarvis Taxpayers Association.

During past campaigns, the following arguments have been made by opponents:

- A 2/3 vote ensures proper representation of property owners who will pay the taxes associated with the passage of local school bonds. Because not all voters are property owners, a 2/3 vote gives more assurance that a majority of property owners who pay the tax are represented in vote results.

- Many school districts are able to pass bonds under existing law. There has been great success at the polls when the district has presented a good case to the voters and included a healthy accountability aspect in the bond measure.

- If too much reliance is placed on local funding, California could face a mandate for equalization of school facilities. State-level funding for school facilities is the most equitable method and the most likely to avoid district-to-district disparities and associated legal consequences.

Recommended Action

Should the trustees determine that they wish to take a position in support of the proposed initiative, the following resolution is recommended:

RESOLVED, By the Board of Trustees of The California State University, that the board supports the “Smaller Classes, Safer Schools and Financial Accountability Act” initiative constitutional amendment that is expected to appear on the November 2000 General Election ballot.