

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 8:30 a.m. Wednesday, May 11, 2005
Glenn S. Dumke Auditorium

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

Consent Items

Approval of Minutes of Meeting of March 15, 2005

Discussion Items

1. 2005/2006 Legislative Report No. 3, *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**

March 15, 2005

Members Present

Debra S. Farar, Chair
Roberta Achtenberg, Vice Chair
Larry L. Adamson
Herbert L. Carter
Carol R. Chandler
Moctesuma Esparza
Robert G. Foster
Murray L. Galinson, Chair of the Board
George G. Gowgani
Charles B. Reed, Chancellor

Approval of Minutes

The minutes of January 26, 2004 were approved.

2005/2006 Legislative Report No. 2

Ms. Karen Zamarripa presented the report on the trustees' legislative program and priority legislation identified to date. She called attention to three of the sponsored bills and gave a detailed update on the status of those bills. They included: The Affinity Cards – Information Practices Act, Whistleblower Protection, and the Independent Authority for Professional Doctorates.

Ms. Zamarripa also provided information and status on other legislative proposals including CSU's current Omnibus Proposals, as well as noting several emerging trends. She noted there has been growing activity and interest in a number of areas including: changing California's budgeting process; pension reform; financial aid reform; waivers for veterans and military personnel; redefinition of the California Postsecondary Education Committee's (CPEC) role; alcohol abuse and misuse, and numerous bills dealing with privacy, confidentiality, and identity theft.

Chair Galinson asked for clarification of certain terms included in AB 39 (Walters) Charter Schools: *Alternative Authority*, specifically the 10 campus limit per segment, for the approval and administration of a charter school. The Chair expressed his frustration that the bill in its current form does not equally serve each segment.

Ms. Zamarripa responded that the issue raised in AB 39 is not new and has been a priority with charter school advocates for the last several years. Charter school advocates are hoping to address what they believe to be a resistance by the traditional K-12 community to the creation of new charter schools by authorizing others, such as the California State University (CSU) and the University of California (UC) to approve, administer and oversee new K-12 schools. Ultimately, the core issue, as posed by Ms. Zamarripa, is whether the board of trustees, (separate from the local elected governing board of a school district, county boards of education, and the State Board of Education) should be authorizing these new charters and taking on the legal, fiscal and programmatic responsibility of a new school.

Trustee Esparza indicated he saw no reason for CSU to limit its ability to offer different curriculum if it chooses, including doctorate programs, and encouraged pursuing the opportunity to do so. He also commented on the affinity card program and related his personal experience as an alum of the UC system. Based on his experience, he cautioned that there should be some quality control over the offer(s) and the execution of that offer.

Trustee Chandler inquired if there was a funding source for AB 196 (Liu) Postsecondary Education: Accountability. Ms. Zamarripa said she had not yet read all three bills related to CPEC and was unsure if there was funding included in the proposal.

Trustee Gowgani also expressed concern about potential funding issues associated with the legislation on the Independent Authority for Professional Doctorates. Chancellor Reed explained that the board of trustees would be required to approve any program proposed under this legislation and that proof of the ability to fund it must be established before moving it forward.

The committee recommended approval of the proposed resolution (RGR 03-05-04).

Trustee Farar adjourned the meeting.

COMMITTEE ON GOVERNMENTAL RELATIONS

2005/2006 Legislative Report No. 3

Presentation By

Richard West
Executive Vice Chancellor and
Chief Financial Officer

Summary

This item contains a status report on the Trustees' legislative program and priority legislation identified to date.

Trustees' Legislative Program

The following proposals comprise the Trustees' legislative program for 2005.

Senate Bill 569 (Torlakson): Affinity Cards – Information Practices Act: CSU and UC are joint sponsors of the bill to allow the trustees, campus alumni associations (and with pending amendments, auxiliaries) to offer benefits and services to members through affinity programs like other nonprofit organizations and private colleges and universities.

Status: Senate Bill 569 was approved by the Senate Education Committee on April 6 by a vote of 10 to 1. The Senate Judiciary Committee is scheduled to consider the bill on April 26.

Assembly Bill 706 (Parra): Whistleblower Protection: This proposal ensures that the CSU can protect the confidentiality of whistleblowers and related information consistent with protections afforded state employees through the Bureau of State Audits (BSA).

Status: Assembly Bill 706 was approved by the Assembly Public Employees, Retirement and Social Security Committee on April 20 by a vote of 6 to 0. The Assembly Appropriations Committee will consider the measure in early May.

Senate Bill 724 (Scott): Independent Authority for Professional Doctorates: This legislation would authorize the CSU to award independent (i.e. not joint) professional and clinical doctorate degrees.

Status: Senate Bill 724 was approved by the Senate Education Committee on April 20 by a vote of 9 to 0. Referred to the Senate Appropriations Committee.

Assembly Bill 961 (Committee on Higher Education): Omnibus Bill: The annual “omnibus” legislation contains several non-controversial and/or technical changes to the various codes. Four proposals are included in this year’s omnibus bill: (1) Protection of Subcontractors in Design-Build Contracting; (2) Auxiliary Board Meeting Changes; (3) Sale of CSU Channel Islands Property; and (4) Self-Certification of Disability Access Compliance Documents.

Status: Assembly Bill 961 was approved by the Assembly Higher Education Committee on April 5 by vote of 6-0 and passed the Assembly Appropriations Committee on April 13 by a vote of 18-0. It has been forwarded to the Assembly floor.

Priority Bills

In addition to our trustee-sponsored bills, the CSU is tracking a number of bills, some of which are described below:

AB 58 (Nunez) Kindergarten – University Public Education Facilities Bond Act of 2006: This bill would place an unspecified amount of general obligation bonds for K-12 and higher education facilities on the November 2006 ballot.

CSU Position: Support
Status: Referred to Assembly Education Committee

AB 76 (Frommer) Office of Pharmaceutical Purchasing: The bill would charge the California Health and Human Services Agency, Office of Pharmaceutical Purchasing with serving as the purchasing agent for prescription drugs for state agencies, including the CSU. The CSU has requested that the author amend the bill to exempt the University from the bill. Without this change, the CSU will continue to oppose this measure.

CSU Position: Oppose Unless Amended
Status: Approved by the Assembly Health Committee on April 12 by a vote of 9 to 3. Scheduled for hearing in the Assembly Business and Professions Committee on April 26.

AB 196 (Liu) Postsecondary Education: Accountability: This bill would charge the California Postsecondary Education Commission with developing and administering an accountability structure for the state’s system of postsecondary education.

CSU Position: Support If Amended

Status: Approved by the Assembly Higher Education Committee on April 19 by a vote of 7 to 0. Referred to the Assembly Appropriations Committee. The CSU has requested the author amend the bill consistent with Senate Bill 1331 (Alpert) from 2004, which proposed an outcomes-based statewide system for all of higher education.

AB 214 (Richman) Public Employees' Retirement: Final Compensation: This bill would define "final compensation" for any member of the Public Employees' Retirement System who retires or dies on and after January 1, 2006, as the average compensation earnable by the member during the final three years of employment rather than the highest compensation during a designated twelve-month period.

CSU Position: Pending
Status: Referred to the Assembly Public Employees, Retirement and Social Security Committee. AB 214 and many other retirement reform proposals have yet to be considered in light of initiative proposals and budget deliberations.

AB 222 (Bogh) Public Works: Prevailing Wage: Labor Compliance: This bill repeals existing law that requires the initiation and enforcement of a labor compliance program for all public works projects, and instead, requires an awarding body to post a notice, as specified, advising workers that do not receive the prevailing rate of per diem wages for work performed on a public works project to contact the Division of Labor Standards Enforcement.

CSU Position: Pending
Status: Referred to the Assembly Labor and Employment and Assembly Judiciary Committees.

AB 358 (Liu) Student Financial Aid: Cal Grant: This bill proposes a statutory formula for maximum grants for Cal Grant recipients attending independent institutions and states the Legislature's intent to fund fees and tuition for Cal Grant B recipients in the first year of attendance.

CSU Position: Pending
Status: Approved by the Assembly Higher Education Committee by a vote of 6-0 on April 5. Referred to the Assembly Appropriations Committee.

AB 511 (Richman) Public Employees' Retirement: This bill requires all employees hired on or after July 1, 2007 to participate in a defined contribution plan rather than the state's current defined benefit program. AB 511 also caps employer contributions to six percent of an employee's base salary, except for sworn police officers and full-time firefighters, whose employer contribution would be nine percent. The bill would permit a public agency to

contribute up to an additional three percent of base salary for employees who are not covered by social security.

CSU Position: Pending
Status: Referred to the Assembly Public Employees, Retirement and Social Security Committee. AB 511 and other retirement reform proposals have yet to be considered in light of initiative and budget deliberations.

AB 529 (Goldberg) California State University: Employees: Sponsored by CSUEU, this bill would allow CSU employees to make appeals regarding disability retirement to the State Personnel Board. The bill would also authorize the State Personnel Board to render a decision to determine whether the trustees have complied with the pertinent requirements in that instance.

CSU Position: Oppose
Status: Approved by the Assembly Higher Education Committee on April 5 by a vote of 5-2. Placed on the Assembly Appropriations Committee Suspense File.

AB 589 (Emmerson) Public Postsecondary Education: Nonresident Admissions Criteria: This bill would require a person without lawful immigration status to pay nonresident tuition at the California Community Colleges and the California State University.

CSU Position: Pending
Status: Held in the Assembly Higher Education Committee.

AB 593 (Frommer) State Property: California Hope Endowment and California Hope Public Trust: This bill would establish the California Hope Public Trust to build an endowment for higher education using state real property investments and management. Recent amendments deleted CSU and its properties from use by the endowment. The bill would require the Department of General Services by March 31, 2006, to submit to the trust a complete and thorough inventory of all state-owned real estate and property and all lease agreements between any state agency, and private or nonpublic management groups. Based on this report, the trust shall recommend to the Legislature all real property owned by the State of California that should be transferred to the trust and used for building the endowment, the revenues from which are to be allocated for unspecified higher education purposes.

CSU Position: No Official Position
Status: Approved by the Assembly Business and Professions Committee on April 12 by a vote of 8-1. Approved by the Assembly Higher Education Committee by a vote of 5 to 0. Referred to the Assembly Appropriations Committee.

AB 700 (Jerome Horton) Student Financial Aid: Ortiz-Pacheco-Poohigian-Vasconcellos Cal Grant Program: This bill would eliminate the requirements that Cal Grant entitlement recipients enter college within a year of graduating from high school and that students seeking competitive grants be under 24 years of age.

CSU Position: Support
Status: Approved by the Assembly Higher Education Committee on April 19 by a vote of 6 to 0. Referred to the Assembly Appropriations Committee.

AB 701 (Nava) State Buildings: Energy and Design Criteria: This bill would, notwithstanding any other provision of law, require that all state buildings, on which construction or renovation is begun on or after January 1, 2006, attain a LEED Platinum rating, as defined, no later than January 1, 2015.

CSU Position: Pending
Status: Scheduled for hearing in the Assembly Business and Professions Committee on April 26.

AB 708 (Karnette) California State University: Whistleblower Protection: Existing law authorizes a California State University employee to file a written complaint with his or her supervisor or manager, or with any other designated university officer, alleging actual or attempted acts of reprisal, retaliation, threats, coercion, or similar improper acts for having made a protected disclosure under the Whistleblower Protection Act. This bill would require the California State University to employ an independent investigator for all complaints.

CSU Position: Oppose
Status: Approved by the Assembly Public Employees, Retirement and Social Security Committee on April 6 by a vote of 4-2. Placed on the Assembly Appropriations Committee Suspense File.

AB 786 (Ruskin) Identity Theft: California State University Employees: This bill would require the California State University system to provide an employee, upon request, with four hours of time off with pay following a disclosure by the university that there is, or could have been, a breach of security of employee personal information data, as specified.

CSU Position: Pending
Status: Approved by the Assembly Higher Education Committee on April 19 by a vote of 5 to 2. Referred to the Assembly Appropriations Committee.

AB 828 (Cohn) Public Postsecondary Education: Tuition and Fee Waiver for Military Veterans: This bill would provide that any person who is honorably serving in, or has been honorably discharged from, the armed forces of the United States, would not be subject to tuition

or fees at any campus of the University of California, the California State University, or the California Community Colleges if he or she is a California resident, as defined.

CSU Position: Support If Amended
Status: Referred to the Assembly Higher Education Committee. The CSU has requested amendments to ensure that the system is reimbursed for revenue losses due to the proposed waivers.

AB 870 (Bermudez) Public Postsecondary Education: Limitations on Tuition and Mandatory Systemwide Fee Increases: This bill would cap tuition and mandatory systemwide fee increases at the University of California and the California State University at no more than two percent a year, unless at least one-third of new revenue is dedicated to the level charged in the immediately preceding fiscal year, unless at least one-third of new revenue is dedicated to institutional financial aid.

CSU Position: Oppose Unless Amended
Status: Approved by the Assembly Higher Education Committee on April 19 by a vote of 5 to 2. Referred to the Assembly Appropriations Committee. The CSU objects to any statutory fee policy inconsistent with the Board of Trustees policy and the Governor's Compact.

AB 933 (Emmerson) Public Postsecondary Education: Statewide Student Fee Policy: This bill would enact a statutory fee policy based on an unspecified percentage of cost of education at the CSU and UC.

CSU Position: Oppose Unless Amended
Status: Referred to the Assembly Higher Education Committee. The CSU objects to any statutory fee policy inconsistent with the Board of Trustees policy and the Governor's Compact.

AB 992 (Spitzer) Law Enforcement Surveillance: This bill would give UC and CSU campus police chiefs the same authority to use wiretaps and other investigative tools currently employed by local law enforcement officials.

CSU Position: Support
Status: Approved by the Assembly Public Safety Committee on April 19 by a vote of 4 to 2. Referred to the Assembly Appropriations Committee.

AB 1072 (Liu) Postsecondary Education: Office of the Secretary for Higher Education: This bill would establish the California Commission on Higher Education as the successor to CPEC as of July 1, 2006.

CSU Position: Pending
Status: Held in the Assembly Higher Education Committee.

AB 1088 (Oropeza) Public Postsecondary Education: Mandatory Orientation for Incoming Students: This bill would express the intent of the Legislature to, among other things, establish a mandatory prevention and education program about violence against women for all incoming students of the California Community Colleges, the California State University, and the University of California, working in collaboration with campus and community-based victim advocacy organizations.

CSU Position: Pending
Status: Approved by the Assembly Higher Education Committee on April 19 by a vote of 5 to 2. Referred to the Assembly Appropriations Committee.

AB 1350 (Cogdill) Public Postsecondary Education: Dual Admissions Program: This bill would require that any student who participates in a dual admission program have his or her community college fees waived for up to two academic years, irrespective of financial need.

CSU Position: Pending
Status: Referred to the Assembly Higher Education Committee.

ACA 5 (Richman) Public Retirement Systems: This measure would provide that any new public employee, including employees of the UC and CSU, be enrolled in a defined contribution plan of a public pension system or retirement system. The measure would also set employer and employee contribution limits.

CSU Position: Pending
Status: May be heard in committee on or after January 6. Retirement reform proposals have yet to be considered in light of initiative proposals and budget deliberations.

SB 5 (Morrow) Public Postsecondary Education Standard: Student Bill of Rights: This bill would request the Regents of the University of California, and direct the Trustees of the California State University and the Board of Governors of the California Community Colleges, to develop guidelines and implement specified principles, relating to academic freedom, of a Student Bill of Rights. Proponents of a Student Bill of Rights believe that American colleges and universities should guarantee intellectual diversity by legislating fair and balanced practices of grading, curriculum development, selection of invited speakers, allocation of university funds, hiring, firing, promotion and tenure review.

CSU Position: Pending
Status: Failed passage the Senate Education Committee. Reconsideration granted.

SB 96 (Murray) Peer-to-Peer Networks: File Sharing Software: This bill would set criminal penalties for any person or entity that sells, advertises, or distributes peer-to-peer file sharing software, as defined, that enables the user to electronically disseminate recordings or audiovisual works over the Internet who fails to incorporate available filtering technology into that software to prevent use of the software to commit an unlawful act with respect to a commercial recording or audiovisual work.

CSU Position: Pending
Status: Referred to Senate Public Safety and Senate Judiciary Committees.

SB 349 (McClintock) Public Postsecondary Education: Nonresident Admissions Criteria: This bill would require a person without lawful immigration status to pay nonresident tuition at the California Community Colleges and the California State University.

CSU Position: No Official Position
Status: Failed passage in the Senate Education Committee on April 6 by a vote of 2-8.

SB 445 (Ducheny) Commission on Statewide Postsecondary Education Policy and Planning: This bill would replace the California Postsecondary Education Commission with a new agency, the California Commission on Statewide Postsecondary Education Policy and Planning.

CSU Position: Pending
Status: Placed on the Senate Education Committee Suspense File.

SB 860 (Bowen) Identity Theft: This bill would require an agency, or a person or business conducting business in California, that possesses any data that includes the personal information of a California resident, to notify the resident of any breach of the security of the data, as specified. The bill would also repeal duplicative provisions of law.

CSU Position: No Official Position
Status: Approved by the Senate Judiciary Committee on April 5 by a vote of 4-1. Scheduled for hearing in the Senate Appropriations Committee on April 25.

SB 871 (Scott) Postsecondary Education Accountability: California Postsecondary Education Accountability Act of 2005: This bill proposes a statewide California Postsecondary Education Accountability (CPSEA) structure that would annually provide an assessment of the progress made by the state's system of postsecondary education in meeting the educational needs of Californians consistent with *SB 1331 (Alpert)*, which was vetoed last year.

CSU Position: Support

Status: Dropped by author.

SB 882 (Ashburn) Public Employees' Retirement: Final Compensation: This bill would define "final compensation" for state members and school members of the Public Employees' Retirement System who retire or die on or after January 1, 2006, as the highest annual compensation earnable by the member during a consecutive 36-month period immediately preceding the effective date of his or her retirement.

CSU Position: Pending

Status: Scheduled for hearing in the Senate Public Employment and Retirement Committee on April 25.

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of The California State University, that the 2005-06 Legislative Report No. 3 is adopted.