

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 8:10 a.m. Wednesday, March 12, 2008
Glenn S. Dumke Auditorium

Melinda Guzman, Chair
Debra S. Farar, Vice Chair
Jeffrey L. Bleich
Carol R. Chandler
A. Robert Linscheid
Peter G. Mehas
Lou Monville
Jennifer Reimer
Craig R. Smith

Consent Items

Approval of Minutes of Meeting of January 22, 2008

Discussion Items

1. 2007-2008 Legislative Report No. 8, *Action*

**MINUTES OF THE MEETING OF
COMMITTEE ON GOVERNMENTAL RELATIONS**

**Trustees of the California State University
Office of the Chancellor
Glenn S. Dumke Conference Center
401 Golden Shore
Long Beach, California**

January 22, 2008

Members Present

Debra S. Farar, Vice Chair
Roberta C. Achtenberg, Chair of the Board
Jeffrey L. Bleich
Carol R. Chandler
A. Robert Linscheid
Peter G. Mehas
Lou Monville
Charles B. Reed, Chancellor
Jennifer Reimer
Craig R. Smith

Approval of Minutes

The minutes of November 13, 2007 were approved.

2007-2008 Legislative Report No. 7

Trustee Farar introduced the item noting it contained proposals for inclusion in the Trustees' 2008 legislative program. She then asked Ms. Karen Zamarripa, assistant vice chancellor, advocacy and institutional relations, to present the report.

Ms. Zamarripa informed the committee that the new legislative session had begun on several fronts with the budget release and several other issues making for a very lively and interesting beginning. As noted in the written report, this is the second year of a two year session and it is expected to proceed at a brisk pace given all the issues to be addressed. Most notably, this is an election year and there will be some significant issues before the voters in California on February 5 that could have a negative impact on the state's fiscal environment.

Ms. Zamarripa cautioned that given the current budget environment, CSU will likely face close scrutiny on any proposals with significant fiscal implications and observed that any bill over \$150,000 in the budget year and budget year plus one, will likely be held on the suspense file.

Ms. Zamarripa turned to the development of the new legislative agenda noting that a ‘less is better’ approach appears to be the best course of action at the moment. As a result, there are only two measures submitted for adoption as the 2008 Board of Trustees Legislative Program:

California State University: Doctor of Nursing Practice Degrees

The proposed legislation would modify California’s Education Code to authorize CSU to offer doctor of nursing practice (DNP) degree programs. Ms. Zamarripa reviewed the details of the proposed legislation as set forth in the written agenda item.

Ms. Zamarripa applauded the collaboration between CSU’s academic management and its counterpart at the UC in working out the issues on this proposal, and noted UC has indicated they will support our efforts in this regard. She noted that tentative conversations have also taken place with members of the legislature and it is hoped, if the board approves the item, that Senator Jack Scott has agreed to be the author of this legislation.

Uniform Prudent Management of Institutional Funds Act

This is a proposed statute change that would allow California to adopt the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Ms. Zamarripa noted the UPMIFA replaces and updates the 1972 Uniform Management of Institutional Funds Act (UMIFA). UMIFA’s rules govern the investment and expenditure of charitable funds.

Ms. Zamarripa reviewed the history and purpose of the Act as outlined in the written item. She pointed out that prudence norms evolve over time and indicated the new Act provides modern articulations of the prudence standards for the management and investment of charitable funds and for endowment spending.

Ms. Zamarripa indicated California’s adoption of UPMIFA would assure that best investment practices govern the actual investment of charitable funds. To date, thirteen states have enacted UPMIFA and CSU believes the Act is consistent with the level of transparency and accountability that the university seeks.

The California State University would join a coalition of supporters including the University of California and the Association of California Independent Colleges and Universities in seeking sponsors for the legislation. She noted that tentative conversations have taken place with senator Steinberg in the hope he will work with the university on this legislation if the board adopts it as part of the 2008 legislative program.

The committee recommended approval of the proposed resolution (RGR 01-08-01).

California State University Federal Agenda for 2008

Trustee Farar announced the item calling for consideration of recommendations for inclusion in the 2008 CSU Federal Agenda. She introduced Mr. James M. Gelb, assistant vice chancellor, federal relations, and asked him to present the item.

Mr. Gelb noted the Congress was coming off the first year of the new Democratic leadership in both houses and that everyone is still adjusting to their new roles. He said it was an interesting time due to a number of factors, including the wide-reaching effects of the ongoing war; the nation's troubled economic condition; and the expanding impact on all arenas of the 2008 presidential and Congressional elections. As a result, members of the Senate and House will be spending less time in Washington, DC, making it more difficult to complete action on issues of interest to the CSU.

Utilizing slides, Mr. Gelb presented a brief update on the progress of the 2007 CSU federal program and an overview of plans and goals for the 2008 CSU Federal Agenda.

Mr. Gelb reported that over the past year, the CSU's Office of Federal Relations, (OFR) and system leaders have worked in Washington to advance both policy and project priorities. He noted during that time, the CSU had a significant impact on our primary focus, the still developing reauthorization of the Higher Education Act (HEA).

He noted that during its second session, the 110th Congress will continue work on reauthorizing the Higher Education Act of 1965 (HEA), many aspects of which significantly impact the CSU and its students. Mr. Gelb stated that he has been coming before the board for the past five years informing the committee that the reauthorization is pending, and it is still pending five years later. There has however, been some recent progress in that the Senate had passed an HEA bill in July and the House had passed legislation out of its Education committee in November. Both measures received overwhelming bipartisan support. Mr. Gelb said both bills are good for CSU students and contain many of the CSU's policy priorities, including making Pell Grants available to students year-round, provisions to strengthen graduate programs at Hispanic Serving Institutions, and new programs to assist veterans seeking a college education. It is hoped the bills are taken up next month and get to the conference committee before congress disappears this year for the election season.

Also of note, a major piece of higher education legislation was passed last year called the 'College Cost Reduction and Access Act,' key provisions of which include: adding substantial mandatory funds to annual discretionary appropriations for the maximum Pell grant between now and 2013; additional funding for Hispanic Serving Institutions, and new grants for students who commit to teaching in high-need subjects or in high-need schools.

With regard to project priorities, Mr. Gelb said the CSU had considerable success in gaining broad support from members of the California Congressional delegation for a number of system

(and campus) priorities, which resulted in funding for the CSU's Strategic Language Initiative (SLI), the CSU's Agricultural Research Initiative (ARI), and development of regional biotechnology workforce training centers overseen by the system's CSUPERB program, among others.

Mr. Gelb then described the process and criteria used to solicit recommendations for the 2008 Federal Agenda.

With regard to projects, more than 40 proposals were submitted by the campuses in response to this year's solicitation. It is recommended that the system's project priorities be broken in two categories. The first would encompass six broad-based, multi-campus initiatives consistent with ongoing system collaborative efforts in core areas and strengths. The second would include campus-oriented projects, provided they have been endorsed and prioritized by the campus president, and meet certain criteria.

Of the six areas recommended for systemwide projects, four are renewals from prior years. They are: the agricultural project, the biotech training project, the strategic languages project, and the media project. There are two new recommendations for this year: a community service learning initiative emphasizing veterans' education and health issues; and a marine research and education proposal that focuses on a growing need to update equipment across many of our campuses.

Mr. Gelb noted because of the inherently shifting nature of campus, state and national priorities, project requests may evolve from time to time. He assured the committee the Office of Federal Relations 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 as they seek support in the relevant appropriations venues for federal funding in the new fiscal year.

With regard to policy priorities, it is recommended that the CSU maintain the same list as last year primarily because our most prominent item, the Higher Education Act, is still on the table and all of those priorities – such as increased and year-round Pell Grants, continuation and enhancement of outreach programs like GEAR UP and TRIO, and adding a graduate component to Hispanic Serving grants -- are impacted by that. One new priority, calling for support of federal sustainability efforts was recommended to be added.

Mr. Gelb then informed the committee about the newly upgraded federal relations website and encouraged them to visit the site to view the expanded agenda information, blog news, and other helpful news and information related to the scene in Washington, DC.

Mr. Gelb thanked the committee for the opportunity to bring them up to date on what is happening at the federal level and said he looks forward to the challenges that will undoubtedly occur during the New Year.

The committee recommended approval of the proposed resolution (RGR 01-08-02).

COMMITTEE ON GOVERNMENTAL RELATIONS

2007-2008 Legislative Report No. 8

Presentation By

Karen Y. Zamarripa
Assistant Vice Chancellor
Advocacy & Institutional Relations

Summary

This item contains a presentation of proposals for inclusion in the Trustees' 2008 Legislative Program and other pertinent legislative measure introduced to date.

Trustees' 2008 Legislative Program

SB 1288 (Scott) Doctorate in Nursing: This measure authorizes the CSU to offer a doctor of nursing practice (DNP) degree. This program will allow the California State University to create the doctorally-qualified potential nursing faculty needed by both the California State University and California Community Colleges so that the institutions may produce the nurses the state will need.

Status: This measure was introduced on January 20, 2008 and may be heard after the legislature returns from its spring recess at the end of March.

SB 1329 (Harman) Uniform Prudent Management of Institutional Funds Act: This measure would allow California to adopt the Uniform Prudent Management of Institutional Funds Act (UPMIFA), updating rules governing the management, investment, and expenditure of charitable funds.

Status: This measure was introduced on January 20, 2008 and may be heard after the legislature returns from its spring recess at the end of March.

Priority Bills

These measures were introduced last session and are still active for 2008, or were newly introduced by the deadline for the 2008 session, February 22, 2008.

AB 100 (Mullin) Education Facilities: Kindergarten-University Public Education Facilities Bond Act of 2008: This measure states the intent of the legislature to place a K-12 and higher

education facility General Obligation Bond on November 2008 ballot. Of the total amount of the bond (\$9 billion), \$690,000,000 would be allotted to the CSU, consistent with proposition 1-D (2006). CSU is interested in increasing this amount to at least \$800,000,000, given the systems' estimated annual need.

CSU Position WATCH
Status: This measure was passed out of the Assembly and is now in the Senate. The Governor's proposed budget includes \$395 million for the CSU capital outlay program thus once this bill moves forward toward the November ballot amendments will be required to reflect this higher amount.

AB 178 (Coto) High Schools: Curriculum and Enrollment: College Readiness and Equity Pilot Program: This measure would have established as a pilot the College Readiness and Equity Program to provide grants to high schools that enroll and support pupils in a college preparation curriculum. The measure proposed a total grant of \$150,000 to fund this pilot.

CSU Position: SUPPORT
Status: This measure was held by the Senate Education Committee due to its costs.

AB 767 (Walters) Student Financial Aid: Veterans and Dependents: This measure would create the Golden State GI Bill of Rights for Higher Education and would provide a waiver of resident tuition at the CSU, the University of California (UC), and the California Community Colleges (CCC) for California residents who have been honorably discharged from the military and exhausted their federal benefits under the federal GI Bill.

CSU Position: OPPOSE UNLESS AMENDED
Status: This bill was made a two-year measure at the request of the author. The CSU requested that the measure provide a reimbursement from the State for these students. The CSU estimated a conservative cost of \$10 million to pay for these waivers.

AB 876 (Davis) Career Technical Education: This measure would require the California State University, and request the University of California (UC), to provide assistance in the development of K-12 Career Technical Education (CTE) courses for the purposes of admission by both systems and to disseminate information about those courses.

CSU Position: SUPPORT IF AMENDED
Status: This measure passed out of the Assembly and is now waiting a hearing in the Senate Education Committee. The CSU is seeking a clarifying

amendment regarding the term “multiple pathways” as referred to in the bill.

AB 1415 (Brownley) Teacher Credentialing: Services Credential: Programs Of Professional Preparation: This bill requires the Commission on Teacher Credentialing to create an accountability system to assess the effectiveness of professional preparation programs in education administration.

CSU Position: OPPOSE UNLESS AMENDED
Status: This measure was held by the Senate Appropriations Committee due to costs.

AB 1578 (Leno) Foster Youth Higher Education Preparation and Support Act of 2007: California College Pathways Program: This bill states legislative intent to establish and provide services and financial support to help foster youth achieve their educational goals and establishes the California Competitive Grant Program to provide comprehensive support in postsecondary institutions to students who are former foster youth.

CSU Position: NO OFFICIAL POSITION
Status: This measure was held by the Senate Appropriations Committee due to costs.

AB 1586 (DeSaulnier) University of California and California State University: Career Technical Education Courses: This measure would require the CSU, and request the UC, to recognize the completion of all high school Career Technical Education (CTE) courses that meet the model CTE curriculum standards adopted by the State Board of Education (SBE), as satisfying the completion of a general elective course requirement for the purposes of admission to that university by 2014, effectively taking away the responsibility of the CSU to set its own standards for acceptance into college and giving this responsibility to the SBE.

CSU Position: OPPOSE
Status: This measure was passed by the Assembly and is now in the Senate Education Committee.

AB 1758 (DeVore) Postsecondary Education: This measure proposes to delete the current waiver of non-resident fees, established by AB 540, that is provided to non-resident students who have attended at least three year of school and graduated from a high school in California, and also would establish the California National Guard Education Assistance Program.

CSU Position: OPPOSE UNLESS AMENDED

Status: This measure was referred to the Assembly Committee on Higher Education, where it will be heard on March 4, and then will be referred to the Assembly Veteran's Affairs Committee.

AB 1779 (Jones) Personal Information: Security Breaches: This measure would require that when notifying the media of a breach in data, the entity must also notify the Office of Privacy Protection.

CSU Position: NO OFFICIAL POSITION

Status: This measure was introduced on January 16, 2008 and will be heard in the Assembly Judiciary Committee.

AB 1821 (Portantino) California State University Trustees: Executive Office Compensation: This measure would limit the authority of the Board of Trustees on the matter of executive compensation and recruitment for *new* executive officers.

CSU Position: PENDING

Status: The CSU and CFA have jointly asked the author to not move this measure forward this year as they are intending to work together to address concerns with the budget, given the State's severe fiscal crisis and its potential affect on the CSU system. The measure has been tentatively set for a hearing on March 4 in the Assembly Higher Education Committee. CSU and CFA representatives will be discussing the author's intent for this legislation with the author and his staff prior to the committee hearing

AB 1927 (Galgiani) Nursing Education: Career Technical Education: This measure would require a CSU campus that offers a nursing program to accept career technical education (CTE) coursework regardless of whether or not the coursework has met the A-G requirements.

CSU Position: PENDING

Status: This measure will likely not be heard until after the Legislature's spring recess.

AB 2083 (Nunez) Student Financial Aid: Institutional Financial Aid Eligibility: This measure would allow AB 540 students to receive institutional financial aid from a public university, like the CSU's State University Grant (SUG).

CSU Position: SUPPORT

Status: This measure may not be heard until after the Legislature's Spring Recess and is identical to Senator Cedillo's SB 1301.

AB 2365 (De La Torre) Cal Grant B Awards: Award Amount: This measure would increase the number of recipients who will receive monies from Cal Grant B awards in their first year from the existing 2% to 25% by academic year 2009-2010. It would then provide all Cal Grant B recipients aid in their first year by academic year 2012-2013.

CSU Position: SUPPORT

Status: This measure was introduced on February 21, 2008 and cannot be heard for 30 days, which will take place after the Legislature returns from its spring recess. This is a reintroduction of our jointly sponsored bill with the CSSA, AB 302 of the 2007 session, which was held in the fiscal committee in the Senate due to costs.

AB 2372 (Coto) Public Postsecondary Education: Systemwide Fees: Limitations: Tax Levy: This measure proposes to create the College Affordability Act of 2008, which would limit the amount fees charged for undergraduate work at the CSU and UC can rise by tying it to the annual percentage change in the California Consumer Price Index starting in fiscal year 2014-15. It also would place a tax of 1% on the taxable income of a resident of California who earns more than \$1 million, but would only direct 60% of these funds to the newly created College Affordability Fund, which would then be directed to the CSU and UC.

CSU Position: PENDING

Status: This measure was introduced on February 21, 2008 and cannot be heard until the end of March. It appears this measure, which requires a two-thirds vote of both houses of the legislature, has been introduced to provide an alternative means to get this measure before the voters on the November ballot. CSU and UC students along with others are currently working to gather the necessary signatures to qualify for the fall ballot. The CSU will be reviewing the fiscal ramifications of this proposal before making a formal recommendation on a system position.

AB 2458 (Walters) Public Postsecondary Education: Graduation Rates: This measure currently states that it is the intent of the Legislature to enact a statute to provide a student, and the institution he/she attends a financial reward for graduating early from a public postsecondary institution.

CSU Position: PENDING

Status: This measure was introduced on February 21, 2008 and is currently a "spot" bill only; we will continue to monitor this proposal as it becomes fleshed out.

AB 2469 (Brownley) Postsecondary Education: Reporting Requirements: This measure states the intent of the Legislature to direct the Legislative Analyst's Office to convene a working group of the three public higher education segments, CPEC, Department of Finance, and the staff of both House's budget committees to review all reporting requirements placed on the segments with the goal of removing obsolete and duplicative reporting requirements and to consider items that are not currently being reported by the segments. It would then propose deleting all existing reporting requirements and replacing them with more efficient, ongoing reporting requirements.

CSU Position: SUPPORT

Status: This measure was introduced on February 21, 2008. Code review and updating efforts like this have been sponsored by the policy committees in past legislative sessions. CSU will work actively with the group, if the bill is enacted, to find ways to streamline and improve our internal operations and management authority as appropriate.

AB 2496 (Huffman) Public Postsecondary Education: Tuition and Fees: This measure would provide a fee-waiver to a dependent of a federal firefighter who died while performing assigned fire-fighting duties in the state. The measure also would expand the existing fee-waiver for all public safety employees by allowing their dependents to receive this waiver if the employee had died as a result of an occupational disease. Currently the waiver is only granted to those who died of an injury caused by external violence or physical force.

CSU Position: PENDING

Status: This measure will not be heard until after the Legislature's spring recess. The CSU would request an amendment to reimburse the loss of revenue from the State's General Fund for these proposed fee waivers.

AB 2602 (Smyth) Public Postsecondary Education: Hunting and Trapping: Funding: This measure would state the intent of the legislature that a public institution of higher education can not fund or participate in the lethal hunting of animals.

CSU Position: PENDING

Status: This measure was just introduced and will not be eligible for a hearing until after the spring recess.

AB 2722 (Duvall) Public Postsecondary Education: Statewide Student Fee Policy: This measure would require that by the fiscal year 2009-10 both the CSU and the UC must establish a level of mandatory systemwide fees and tuition for undergraduate students that would be in effect for four years. The author's intent is to allow students to budget in advance for their costs of attending their entire four-year degree program.

CSU Position: PENDING
Status: This measure was just introduced and will not be eligible for a hearing until after the spring recess.

AB 2876 (Furutani) Postsecondary Education: Student Loan Integrity Act: This measure would require a public or private university to include a notice warning applicants of the potential hazards associated with accepting private student loans when they are notified of their acceptance to the institution. The measure also would prohibit the university, or its representatives, from accepting anything of value in consideration of originating a student loan or advising or encouraging any person to accept a student loan. Finally, this measure would permit a person to seek damages from an educational institution or a lender that conspired or acted in concert with the postsecondary educational institution in violating those provisions.

CSU Position: PENDING
Status: This measure was just introduced and will not be eligible for a hearing until after the spring recess.

SB 191 (Padilla) Public Works: Labor Compliance Programs: This measure would put in place a labor compliance program for any project that was paid for by Proposition 1-D monies.

CSU Position: NO OFFICIAL POSITION
Status: This measure was amended with this new language dealing with labor compliance and is similar to requirements for projects funded by prior education bonds. The measure is currently on the Assembly floor, on its inactive file, awaiting further action.

SB 325 (Scott) Postsecondary Education: Educational and Economic Goals for California Higher Education: This measure calls for the creation of an accountability framework to measure California's progress on higher education and would use six key questions to gauge the State's success.

CSU Position: SUPPORT
Status: This measure is currently located in the Assembly Higher Education Committee.

SB 361 (Scott) Postsecondary Education: California Postsecondary Education Commission: This measure proposes to remove certain reporting requirements of the California Postsecondary Education Commission (CPEC), most of which are obsolete or have not been recently produced by the commission.

CSU Position: SUPPORT

Status: This measure was passed out of the Senate and is now with the Assembly.

SB 441 (Torlakson) State Property: Vending Machines: This measure would require each vendor that operates or maintains vending machines on designated state property to eventually phase-in a requirement that at least 25% of the food and beverages offered in the vending machine meet accepted nutritional guidelines.

CSU Position: NO OFFICIAL POSITION

Status: This bill was passed out of the Senate and is now waiting referral to a policy committee in the Assembly. Senator Torlakson had committed to delete CSU from this bill if it were to move forward. The CSU is still continuing to seek this amendment.

SB 946 (Scott) Community College Early Assessment Pilot Program: This measure states the intent of the legislature to establish a Community College Early Assessment Pilot Program for the purpose of providing high school pupils with an indicator of their readiness for transfer-level English and mathematics at the end of grade 11 and allowing high schools to work with pupils in grade 12 to elevate the skills of these pupils to a level commensurate with transfer-level English and mathematics.

CSU Position: SUPPORT

Status: This measure is currently on the Assembly Floor's inactive file.

SB 1290 (Wyland) National Guard: Educational Benefits: This measure would require the CSU to waive the cost of tuition and all associated fees to a member of the National Guard for up to five years.

CSU Position: PENDING

Status: This measure will not have a committee hearing until after the legislature returns from its spring recess. Prior to taking a formal position on this measure CSU representatives will request amendments to reimburse the system for loss of revenue from the General Fund.

SB 1301 (Cedillo) Student Financial Aid: Institutional Financial Aid Eligibility: This measure would allow AB 540 students to receive institutional financial aid from a public university, like the CSU's State University Grant (SUG).

CSU Position: SUPPORT

Status: This measure was just introduced and will not be eligible for a hearing until after the spring recess. This measure is identical to Speaker Nunez's AB 2083.

SB 1578 (Flores) Public Postsecondary Education: Gender Equity in Athletics: This measure would require the CSU and the UC to establish an Office of Gender Equity (OGE), and to appoint a Title IX compliance officer. It also would mandate Title IX and gender equity training for all athletic department personnel and executive level university management. The measure would require campuses with NCAA intercollegiate athletic programs to achieve gender equity in participation, expenditure, and grants-in-aid for women's athletics programs. Finally, each campus would have to file with the newly created Office of Gender Equity in Academics (OGEIA), which would be established with the California Attorney's General's Office, a certificate of Compliance. The OGEIA would be authorized to place up to 20% of the athletic department budget of any campus into receivership if that campus is deemed to be in noncompliance for more than 2 consecutive years.

CSU Position: PENDING

Status: This measure was just introduced and will not be eligible for a hearing until after the spring recess.

SB 1585 (Padilla) California Community Colleges: Transfer Students: This measure expresses the intent of the Legislature that the California Community Colleges must redefine its priorities and goals; seek every possible way to make the most efficient use of the resources provided by the state, and to increase the number of students that transfer to 4-year institutions.

CSU Position: PENDING

Status: This measure was just introduced and will not be eligible for a hearing until after the spring recess.

Adoption of the following resolution is recommended:

RESOLVED, By the Board of Trustees of the California State University, that the 2007-08 Legislative Report No. 8 is adopted.