

AGENDA

COMMITTEE ON GOVERNMENTAL RELATIONS

Meeting: 11:45 a.m., Wednesday, January 26, 2022
Virtually via Teleconference

Douglas Faigin, Chair
Krystal Raynes, Vice Chair
Diego Arambula
Jack Clarke, Jr.
Jean Picker Firstenberg
Julia I. Lopez
Jack McGrory
Yammilette Rodriguez
Romey Sabalius
Lateefah Simon

- Consent** 1. Approval of Minutes of the Meeting of September 14, 2021, *Action*
- Discussion** 2. Sponsored State Legislation for 2022, *Action*
3. Federal Update, *Information*

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

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

September 14, 2021

Members Present

Douglas Faigin, Chair
Krystal Raynes, Vice Chair
Diego Arambula
Jack Clarke, Jr.
Jean P. Firstenberg
Jack McGrory
Romey Sabalius
Lateefah Simon

Lillian Kimbell, Chair of the Board
Joseph I. Castro, Chancellor

Trustee Faigin called the meeting to order.

Approval of Minutes

The minutes of July 13, 2021, were approved as submitted.

State Legislative Update

Larry Salinas, vice chancellor for university relations and advancement, reported more than 2,400 measures were introduced this year and nearly 700 await the Governor's signature or veto. The Advocacy and State Relations team, campuses and Chancellor's Office colleagues have been providing background, answering questions, sharing fiscal information and engaging members of the legislature and their staff as they share the impact of proposed legislation on the CSU. These collaborative efforts all contributed to historic budget success.

***PLEASE NOTE: Due to the Governor's proclamation of a State of Emergency resulting from the threat of COVID-19, and pursuant to the Governor's Executive Orders N-25-20 and N-29-20 issued on March 12, 2020, and March 17, 2020, respectively, all members of the Board of Trustees may participate in meetings remotely, either by telephonic or video conference means. Out of consideration for the health, safety and well-being of the members of the public and the Chancellor's Office staff, the September 14-15, 2021, meeting of the CSU Board of Trustees was conducted entirely virtually via Zoom teleconference.**

Nichole Muñoz-Murillo, assistant vice chancellor for advocacy and state relations, provided an update on bills that failed to progress through the process and did not advance to the Governor's Office for consideration. Bills that had been signed or adopted by the Governor were also presented. Bills of note, including AB 815, AB 928, AB 1140, AB 1456, AB 361, HR53, and SR 44 were discussed. Fall advocacy activities were also mentioned.

Trustee Krystal Raynes thanked the presenters. She asked when AB 1456 would become effective and if there was enough time to address it in an upcoming budget request. AVC Muñoz-Murillo responded that the bill has been delayed and full implementation would not take place until the year 2028, 2029, or possibly 2030, which would allow a long lead time for carefully monitoring the situation and working with the legislature.

Trustee Sabalius wanted it noted for the record that AB 928 is attempting to consolidate the general education pathways of the CSU and the UC, which would result in drastic cuts to CSU general education programs. Faculty has articulated opposition to this bill, and Trustee Sabalius is concerned that legislators are indirectly dictating curriculum.

Trustee Carney commented that the sunset date on the pilot program for community colleges offering a statewide baccalaureate degree program was lifted. She expressed a desire for ASR to work with San Diego State University and other campuses that want to offer independent doctoral programs to put this on the legislative agenda for 2022.

Trustee Faigin adjourned the meeting.

COMMITTEE ON GOVERNMENTAL RELATIONS

Sponsored State Legislation for 2022

Presentation By

Larry Salinas
Vice Chancellor
University Relations and Advancement

Eric Bakke
Assistant Vice Chancellor
Advocacy and State Relations

Summary

This item contains four proposals for 2022 sponsored measures for the Board of Trustees' consideration.

2022 Legislative Proposals

In August, Chancellor Joseph I. Castro requested proposals from system and campus leaders for possible inclusion in the Board of Trustees sponsored bill package for the 2022 legislative year. Proposals were analyzed by staff with consideration given to whether there was a clearly identified need, programmatic and fiscal implications, and overall alignment with system initiatives and priorities. The following are recommended for adoption by the Board as sponsored legislation for 2022.

California State Polytechnic University, Humboldt

We recommend the Board of Trustees sponsor legislation to update the Education Code to reflect the renaming of Humboldt State University to California State Polytechnic University, Humboldt.

In August, the state budget appropriated \$458 million to Humboldt State to support the development of its transition to a polytechnic campus. This investment enables Humboldt State University to be designated the third polytechnic university in the California State University system. The designation is part of a comprehensive strategy to address the workforce shortage in science, technology, engineering, and mathematics (STEM) fields, expand opportunities for students while addressing equity gaps and revitalize the North Coast economy. This proposal would be consistent with recent budget action and Board approval of Humboldt State being designated as a polytechnic university.

Investment Flexibility

We recommend the Board of Trustees sponsor legislation to enhance existing investment authority, thus providing additional resources to address our infrastructure needs.

In 2017, legislation expanded existing CSU investment authority to allow investments in mutual funds, including equity mutual funds, and real estate investment trusts. As required by the legislation and to provide oversight of these new investment options, the Board of Trustees created the CSU Investment Advisory Committee (IAC), which focuses on key issues such as investment policy, asset allocation, investment manager oversight and investment performance. The legislation also stipulated that moneys earned through such investments shall be used only for capital outlay or maintenance and shall not be used for ongoing operations.

In 2018, the CSU launched the Total Return Portfolio (TRP), which was created to take advantage of the new investment authority. Under the oversight of the IAC over the past several years, the CSU has demonstrated prudent use of this authority and established a strong track record of investment performance, with earnings distributions from the TRP to the CSU system totaling \$113 million. Given the significant and growing infrastructure needs facing the CSU, enhancing this authority would provide ongoing and sustainable resources to the CSU to help address our infrastructure needs.

The current CSU Five-Year Capital Outlay Plan identifies a \$23 billion need for academic, self-support, deferred maintenance, seismic strengthening, resiliency improvements and infrastructure improvement projects for all 23 campuses. At the November 2021 board meeting, the Committee on Campus Planning, Buildings and Grounds received an update to the Multi-Year Capital Plan at which time the Chancellor was instructed to explore all reasonable funding methods available to help meet the facilities needs of our campuses. This legislative proposal is consistent with that request.

Sponsorship Exemption for San Diego State

We recommend the Board of Trustees sponsor legislation to grant a statutory exemption to the laws governing alcoholic beverage sponsorships at San Diego State University's newly constructed Snapdragon Stadium¹.

California law prohibits alcohol beverage suppliers or manufacturers from sponsoring events or other activities at a retail licensed premise. When the new Snapdragon Stadium opens later this year, the stadium will have a retail license allowing a retailer to sell alcoholic beverages to event

¹ The naming of the stadium is subject to Board of Trustees approval.

attendees in accordance with CSU Executive Order 1109. However, current law prohibits the Stadium from entering into sponsorship agreements without a statutory exemption.

This proposal seeks to replicate similar exemptions which have been authorized in recent years. The ability to appropriately monetize sponsorships at Snapdragon Stadium is an important part of the overall financial success given the construction and operation of the stadium does not benefit from state funding and is financially self-supported. Snapdragon Stadium is a community asset that will host a wide range of concerts and other special events for San Diegans. The stadium will serve as a home to a lacrosse team and is actively seeking other professional sports teams. The proposal is critical to the sustainability of the stadium as it has the potential to generate approximately \$2 million annually and will support the future growth of San Diego State University's Department of Athletics.

Admissions Impaction Reporting Requirements

We recommend the Board of Trustees sponsor legislation to clarify the reporting requirements when a campus determines it is no longer impacted.

Prior to adopting any change to the criteria governing admissions requirements, current law requires a campus adhere to a specified set of requirements including consulting with stakeholders, holding three public hearings, providing public notice of the proposed changes, publish public comments on a campus' website, and publish the university's final decision on the proposed change. These requirements would apply to a campus seeking to add, modify or remove any criterion for admissions, including discontinuing the designation of impaction.

As the state seeks to find ways to increase access to higher education and increase enrollment among the state's university systems, removing delays and impediments to admission and enrollment should be a priority. For a campus seeking to discontinue the impaction designation, existing requirements delay access unnecessarily. This proposal is critical at this time, as it will allow access to our students while also supporting the state's workforce needs.

Adoption of the following resolution is recommended:

RESOLVED, by the Board of Trustees of the California State University, that the state legislative proposals described in this item are adopted as part of the 2022 Board of Trustees' Legislative Program.

COMMITTEE ON GOVERNMENTAL RELATIONS

Federal Update

Presentation By

Larry Salinas
Vice Chancellor
University Relations and Advancement

George Conant
Assistant Vice Chancellor
Federal Relations

Summary

This item provides an update on significant developments related to the system's 2021-2022 federal priorities.

Background

Last year, the Board approved a Federal Agenda encompassing six broad priority areas:

- Improve College Access and Timely Completion through Aid to Students
- Prepare Students for College Success
- Foster Degree Completion for California's Diverse Population
- Educate Students for Tomorrow's Workforce
- Solve Societal Problems through Applied Research
- Enhance Campus Health, Safety and Infrastructure

Consistent with these priorities, the CSU was particularly active in four key areas in 2021: seeking robust funding for priority programs in Fiscal Year (FY) 2022; seeking robust funding for colleges and universities in Covid-19 relief legislation and ensuring that Hispanic-Serving Institutions (HSI) and Asian American and Native American Pacific Islander-Serving Institutions (AANAPISI) received an equitable share of such funding; advocating in support of Dreamers, and the creation of a clear pathway to citizenship; and advocating for inclusion of higher education funding and the extension of federal aid to Dreamers in human infrastructure legislation.

Funding for Key Programs

The new Congress started the year on a promising note with respect to funding for programs of interest to the CSU. As currently drafted, House and Senate education funding bills would increase the maximum Pell Grant by \$400, which would bring the maximum Pell Grant to \$6,895. The House bill also extended eligibility for federal student financial assistance to Dreamers. Most other CSU priority programs would receive increases as well, and for the first time in a decade, a limited form of congressional earmarking was restored. A number of CSU campuses have had earmark requests included in the various versions of the FY 2022 funding bills. However, all federal appropriations bills have stalled over disagreement over social policy riders and the funding split between defense and non-defense programs. As a result, the government is currently operating at FY 2021 funding levels until at least February 18. Unless the FY 2022 funding bills are enacted, hopes for funding increases and earmarks will not be realized.

After considerable advocacy by the CSU and other institutions around the country, in March 2021, Congress passed HR 1319, the American Rescue Plan Act, which provided a third and final installment of Covid-19 relief funding. The CSU did very well under this legislation, receiving \$1.6 billion for the system and its students, and bringing the total of federal Covid relief funding received by the CSU to \$3.1 billion. The bill also provided additional relief to Hispanic-Serving and AANAPISI institutions.

Supporting Dreamers

The CSU has continued to strongly advocate for legislation to permanently protect and support Dreamers, including HR 6, the American Dream and Promise Act. The legislation provides for conditional permanent residency and an earned path to citizenship for Dreamers and potential protection from deportation and a pathway to citizenship for certain beneficiaries of the Temporary Protected Status (TPS) program. However, despite ongoing efforts by the CSU and many others in the higher education community, the Senate has shown no interest in moving bipartisan legislation related to Dreamers. Various iterations of the Build Back Better Act have contained provisions to provide relief to Dreamers and other immigrants, which were supported by the CSU. However, due to Senate procedures, these provisions have been ruled out of order and struck from the bill. Like the House education appropriations bill, Build Back Better also contains provisions extending federal student aid to DACA recipients. The CSU has lobbied vigorously in favor of these provisions, and it is hoped that they may remain in the bill if passed. This year has also seen the Department of Homeland Security propose regulations in support of DACA in order to shore up the program while it is under court review. The CSU filed comments supporting the proposed regulations in November 2021. The CSU also joined in amicus briefs in support of Dreamers, with the latest filed on December 16.

Build Back Better

On November 19, the House passed its version of the Build Back Better Act (HR 5376), which contained a number of important provisions for the CSU, including a \$550 increase to the maximum Pell Grant, extension of federal student aid to DACA recipients, parole and work authorization for immigrants who arrived prior to 2011, funding for teacher preparation programs, and approximately \$6 billion in funding for research and research infrastructure for minority-serving institutions. As this legislation has no Republican support, it must use a procedural method known as budget reconciliation to allow it to bypass a Republican filibuster. However, the rules surrounding this procedure limits the types of provisions which can be included, and as noted above, this has led to the removal of provisions such as those related to immigration protections. Additionally, given the split nature of the Senate, it requires all 50 Senate Democrats (with a tie breaking vote from Vice President Harris) in order to pass. At this point, a few moderate Democratic senators including Sen. Joe Manchin (D-WV) are uncomfortable enough with the size and scope of the legislation passed by the House that they have indicated they cannot support the bill, effectively killing it for now. House and Senate Democrats are hopeful that the bill can be redrafted in such a way that it can garner the 50 Senate votes necessary for passage. However, this may reduce the overall number of programs included in the bill and could jeopardize a number of the higher education provisions sought by the CSU. It is unclear at this point whether a revised Build Back Better Act will move prior to the end of the 117th Congress.