



UC Davis State Government Relations Update June 2017

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Legislation

Below is a summary on actions taken on some of the bills the University is tracking.

AB 21 (Kalra) passed out of the Senate Education Committee. The bill would require CSU, CCC and independent institutions of higher education that are qualifying institutions for purposes of the Cal Grant Program, and requests UC, to the fullest extent consistent with federal law, to refrain from releasing personally identifiable information regarding the immigration status of students, faculty, and staff of, or other members of the communities served by these campuses. The University has a Watch position on the bill.

The Assembly concurred in Senate amendments on **AB 114 (Assembly Budget Committee)**. The bill would extend the Umbilical Cord Blood Collection Program until January 1, 2023 and extend the California Health Benefits Review Program (CHBRP) until January 1, 2021. The University has a Support position on the bill.

AB 214 (Weber) passed out of the Senate Human Services Committee. The bill would enact legislation to reduce the incidence of hunger and homelessness among college students in California. Provides definitions of "on-campus food vendors" and "qualifying food facility" for purposes of this provision. The University's position on the bill is pending.

AB 422 (Arambula) passed out of the Senate Education Committee. The bill would repeal the sunset and the Doctor of Nursing Practice Degree Pilot Program and authorize CSU to establish Doctor of Nursing Practice degree programs that offer Doctor of Nursing Practice degrees. The University is not taking a position on the bill.

AB 616 (Aguiar-Curry) was sent to the Senate Appropriations Committee suspense file. The bill, sponsored by UC, would extend the current tuition fee provisions for the California State Summer School for Mathematics and Science (COSMOS) program until January 1, 2023.

AB 1424 (Levine) passed out of the Senate Education Committee. The bill, sponsored by UC, would remove sunset of the UC Best Value Construction Contracting Program. UC Director of Construction Services Chris Hornbeck and SGR Legislative Director Jason Murphy testified in Support of the bill.

ACR 21 (Kiley) passed out of the Senate Judiciary Committee. The resolution would urge private and public universities in California, to the extent that they have not adopted free speech statements consistent with the principles articulated by the Chancellor of the University of California at Irvine, and the Free Expression Statement formally adopted by the University of Chicago, to consider such statements as a model for developing and adopting free speech statements. The University's position on the resolution is pending.

HR 35 (Rubio) passed out of the Assembly Higher Education Committee. The measure would resolve that UC maintain in-state tuition, scholarships, fellowships, and grants, and support resources for undocumented students, financially support undocumented students who are in good academic standing, and protect all of its students, faculty, and staff, and consider supportive housing options for those who are at risk of being negatively impacted by President Trump's immigration executive orders. The University's position on the measure is pending.

The University issued a "Support" position letter on **SB 68 (Lara)**. The bill would allow two years of attending a community college to count toward the three-year requirement for undocumented students to qualify for in-state tuition under AB 540.

SB 201 (Hernandez) was sent to the Assembly Appropriations Committee suspense file. The bill would allow graduate student researchers (GSR's) to unionize. The University's position on the bill is pending.

SB 331 (Jackson) passed out of the Assembly Judiciary Committee. The bill, sponsored by UC, would allow campus-based domestic violence counselors to hold privilege with regard to their confidential communications with victims of domestic violence.

SB 440 (Hertzberg) passed out of the Assembly Revenue and Taxation Committee unanimously. The bill, sponsored by UC, would reauthorize the Breast Cancer Research Voluntary Tax Contribution Fund and the California Cancer Research Voluntary Tax Contribution Fund through January 1, 2025.

SB 592 (Nielsen) was sent to the Assembly Appropriations Committee suspense file. The bill would require UC and CSU to report uniform application, admission, and freshman class profiles on the Internet. The University's position on the bill is pending.

SB 573 (Lara) passed out of the Assembly Judiciary Committee. The bill would request UC, and requires CSU and CCC, to implement a service learning program at each campus for specified students with financial need who qualify for the nonresident tuition exemption, including AB 540 students. The University has a Watch position on the bill.

The University issued an "Oppose" position letter on **SB 574 (Lara)**. The bill would modify the Public Contract Code to prohibit UC from entering into a contract for specified services valued at more than \$100,000 if the compensation a bidder provides its employees is more than 5 percent below the average per-employee compensation, including benefits, for UC employees who perform comparable work.

For a complete list of bills the University is tracking please go to the following link; [UC Significant Impact Bills](#)

Budget

On June 27th Governor Edmund G. Brown Jr. signed the budget bill and budget trailer bills. Please see the budget bill list below. The Full Budget Summary for the enacted budget is available at <http://ebudget.ca.gov/FullBudgetSummary.pdf>.

- AB 97 by Assemblymember Philip Y. Ting (D-San Francisco) - Budget Act of 2017.
- AB 99 by the Committee on Budget - School finance: education omnibus trailer bill.
- AB 102 by the Committee on Budget - The Taxpayer Transparency and Fairness Act of 2017: California Department of Tax and Fee Administration: Office of Tax Appeals: State Board of Equalization.
- AB 103 by the Committee on Budget - Public safety: omnibus.
- AB 107 by the Committee on Budget - Developmental services.
- AB 111 by the Committee on Budget - State government.
- AB 115 by the Committee on Budget -Transportation.
- AB 119 by the Committee on Budget - State government.
- AB 120 by Assemblymember Philip Y. Ting (D-San Francisco) - Budget Act of 2017.
- SB 85 by the Committee on Budget and Fiscal Review - Education.
- SB 89 by the Committee on Budget and Fiscal Review - Human services.
- SB 90 by the Committee on Budget and Fiscal Review - Public social services: 1991 Realignment Legislation and IHSS Maintenance of Effort and collective bargaining.
- SB 92 by the Committee on Budget and Fiscal Review - Public resources.
- SB 94 by the Committee on Budget and Fiscal Review - Cannabis: medicinal and adult use.
- SB 96 by the Committee on Budget and Fiscal Review - State Government.

Ultimately, the provisions for UC in the final budget did not change from the version that was produced after the Budget Conference Committee concluded. The University will receive overall ongoing State support of nearly \$3.4 billion and \$176 million in one-time funds.

Ongoing support for UC includes:

- a 4% base budget augmentation of over \$131 million;
- a \$5 million augmentation for graduate student enrollment growth (500 students);
- a \$300,000 augmentation for the Summer Institutes for Emerging Leaders and Managers; and
- a \$50 million special fund augmentation over 10 years to advance transportation research funding through Senate Bill 1.

The University had made funding for graduate students and research a high priority. We are grateful for the general fund base budget augmentation, ongoing graduate enrollment funding, substantial amounts of transportation research funds, and ongoing funding to support graduate level pipeline programs. Although our request for undergraduate enrollment growth funding for 2018-19 were not

realized, the University has already received funding in the Budget Act of 2016 to help support undergraduate enrollment growth in academic year 2017-18. Also, working together, UC and CSU helped prevent a proposed \$4 million reduction to each of our budgets. The \$8 million in cuts would have been used to provide Cal Grant funding for students at private institutions.

One-time support for UC includes:

- the third and final installment--\$169 million—to help address the unfunded liability in the UC Retirement Plan;
- \$2 million to support faculty diversity efforts; and
- \$2.5 million to incentivize programs to address hunger and food issues; and
- \$2 million for a UC wildlife rescue program to administer grants.

The budget conditions expenditure of \$50 million of our State General Fund appropriation upon UC demonstrating to the Department of Finance that it has met 5 conditions. UC successfully advocated to have the meeting of these conditions measured by a standard of “good faith effort” and “taking all possible actions to do so”:

- First, the University must demonstrate completion of an activity-based costing pilot at two additional campuses.
- Second, attain a ratio at each UC campus except Merced and San Francisco of at least one entering transfer student for every two entering freshman students beginning in the 2018–19 academic year.
- Third, implement the audit recommendations due by April 1, 2018.
- Fourth, adopt a policy that does not provide supplemental retirement payments for any new employee designated to be in the Senior Management Group no later than May 1, 2018.
- Fifth, provide detailed reporting on revenues and expenditures as highlighted in the recent audit.

Additional Budget Language

- UC successfully advocated to have a proposal to redirect \$59 million State General Fund monies UC currently receives for enrollment growth. The Budget Act of 2017 instead includes an expectation that UC enroll at least 1,500 more resident undergraduate students in the 2018–19 academic year compared to the 2017–18 academic year, an amount that equates to \$15 million dollars, in next year’s budget. The bill requests that UC, the Legislature, and the Department of Finance collaborate to identify funds to support enrollment growth from funds UC currently receives and expends on systemwide programs or other expenditures at the Office of the President. UC successfully advocated to have language added to the bill that provides that the state and the university share the costs of enrollment in 2018-19.
- Finally, the budget bill creates a separate line-item appropriation of State General Fund monies in the budget to replace funding that UCOP would have received through two campus

assessments. The general campus assessment and UC Path assessments are used to provide essential services, and the University advocated against this proposal. While this would not result in a reduction in the amount of General Fund support for the UCOP or UC Path budgets in this fiscal year, it could set a negative precedent for future years and certainly requires UC to alter its allocation model to ensure that campuses are treated equitably. The University has been exploring options to reverse this action, although it increasingly appears unlikely that UC will be able to reverse this in the Budget Act of 2017. We are developing a strategy to ensure that next year's budget not contain a similar provision.

Upcoming State Government Relations Events and Key Dates

- July 14 Last day for policy committees to hear and report fiscal bills for referral to fiscal committees (J.R. 61(a)(10)).
- July 21 Last day for policy committees to hear and report bills (J.R. 61(a)(11)). Summer Recess begins upon adjournment, provided Budget Bill has been passed (J.R. 51 (a)(3)).

Questions or Need Assistance?

If you have any questions regarding the aforementioned items or would like assistance in connecting with state legislators and/or their staff, please do not hesitate to contact Adrian Lopez, Director, State Government Relations. He can be reached at adnlopez@ucdavis.edu or by phone at (530) 752-9795.