



UC Davis State Government Relations Update June 2019

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Budget

On June 27th Governor Newsom signed the Budget Act of 2019, [AB 74](#) and accompanying budget trailer bills. The Budget Act of 2019 contains \$147.8 billion in General Fund expenditures and total reserves of \$19.2 billion. The total budget with special funds is \$214.8 billion.

The Budget Act of 2019 includes \$3.938 billion for UC, including \$3.597 billion for the general allocation and \$340 million combined in line-item funding for UCOP, UC Path, and ANR. The 2019-20 allocation for UC includes \$247.5 million in ongoing funding above the 2018-19 level and \$215 million in one-time funding.

The 2019-20 budget provides UC with \$247.5 million in new ongoing funding. This amount includes:

1. \$119.8 million for mandatory costs requested by the Regents (was in Governor's Jan 10 budget)
2. \$49.9 million for 4,860 new California undergraduate 2019-20 enrollment (repurposed, amount in Jan 10 budget)
3. \$15 million for student basic needs (was in Governor's Jan 10 budget)
4. \$3.5 million for student rapid rehousing (was in Governor's May Revise)
5. \$5.3 million for student mental health (was in Governor's Jan 10 budget)
6. \$10 million for 2018-19 enrollment made permanent (was in Governor's Jan 10 budget)
7. \$40 million to permanently undo the Prop 56 swap (was in Governor's Jan 10 budget)
8. \$4 million for summer financial aid

The Budget Act of 2019 also includes \$215 million in one-time funding. The items that are available systemwide amount to \$168.3 million and include:

1. \$143.5 million for deferred maintenance
2. \$15 million for degree completion through UC Extension
3. \$2.5 million for faculty equal employment opportunity
4. \$6 million for recruitment and retention of LCFF+ high school students
5. \$1.3 million for graduate medical education (provided to bring GME funds to \$40 million since Prop 56 is falling short)

Included within the \$215 million in one-time funding is \$46.7 million in program-specific funding. These include:

1. \$6 million for UC-CSU Neurodiversity Collaboration
2. \$3.5 million for UCSF Dyslexia Center
3. \$10 million one-time for Conservation Genomics
4. \$1.9 million for a Statewide Database at UC Berkeley
5. \$250,000 for Underground Scholars at UC Berkeley
6. \$1.5 million for Labor Research and Education at UC Berkeley
7. \$2 million for Asian American and Asian Diaspora Studies at UC Berkeley
8. \$1.2 million for Marcus Foster Doctoral Fellowship at UC Berkeley
9. \$2 million for marine mammal stranding network at UC Davis
10. \$1 million for Bulosan Center for Filipino Studies at UC Davis
11. \$3.85 million for firearms-violence prevention training at UC Davis
12. \$3.5 million for Ralph J Bunche Center at UCLA
13. \$2.5 million for Latino Policy and Politics Initiative at UCLA
14. \$7.5 million for Charles Drew University

The final 2019-20 budget does not include any of the \$95 million from 2018-19 that was provided as one-time funds in lieu of a tuition increase and to support prior-year over enrollment.

Nonresident Reduction: Both houses of the Legislature adopted in concept a policy to have UC reduce undergraduate nonresident students to 10% by 2029. This included intent to provide UC with an additional \$18 million in 2020-21 to have the reduction phased in. However, no funding for a nonresident reduction was provided in 2019-20 and neither trailer bill language or budget bill language for such a reduction is in the final budget package.

Trailer Bill: In addition, the 2019-20 budget package includes budget trailer bills that are significant to UC. These include:

1. **SB 106** – Budget Bill Jr – Contains the University’s \$49.9 million in new enrollment funding and budget bill language regarding firearms research funding.
2. **SB 77** – Higher Education Omnibus Budget Trailer – Contains the University’s requested language to provide scholarships to all undocumented students and additional reporting language regarding systemwide programs and initiatives. Also contains changes to the Cal Grant program.
3. **SB 75** – Education Omnibus Budget Trailer – Contains language establishing a working group to develop a longitudinal data system. UC is named as a participant in the working group.

4. **SB 78** – Health Budget Trailer – Contains language establishing a working group to examine pharmacy fee-for-service.
5. **SB 83** – Employment Budget Trailer – Contains reporting language on total compensation and hours worked of contracted janitorial employees. Also contains reporting language on the sexual violence and harassment prevention training provided to contracted and in-house janitorial employees.

Budget Bill Language: In addition, AB 74 includes budget bill language significant to the University. These include:

1. Authorizing UC to use AB 94 bond authority for medical school projects at UC Riverside and at or near the UC Merced campuses.
2. Prohibiting UC from contracting out for the UC Extension degree completion program.
3. Reporting language on the UC Extension degree completion program.
4. Reporting language on UC Extension contracts.
5. Reporting language on the rapid rehousing program.
6. Specifies the programs that the student basic needs \$15 million can be used.
7. Requirement that the precision medicine program administration be moved from the Governor’s Office of Planning and Research to UCSF in order for the funds to be re-appropriated. (The requirement that UCSF administer the precision medicine funds was vetoed but the re-appropriation of the precision medicine funds stayed in the budget).

Funding Through Other State Agencies: In addition to direct appropriations to the University, the Budget Act of 2019 contains funding for other State agencies that UC will either receive directly or can compete for as a grant. These include:

1. \$1.5 million to Secretary for Environmental Protection to contract with UC on a study to identify ways to decrease fossil fuel demand
2. \$5 million in grants through the Strategic Growth Council for research on reducing carbon emissions (UC eligible)
3. \$200,000 in grants for the advancement in education and research in real estate (UC eligible)
4. \$6 million in grants to counties to develop fire prevention and preparedness plans in collaboration with UC
5. \$442,000 for UC Natural Reserve System through the Wildlife Conservation Board
6. \$5.25 million in matching grants to UC Natural Reserve System through the Wildlife Conservation Board
7. \$2.65 million in scholarships through the Statewide Health Planning and Development for either UC Davis or UC Irvine Medical Schools
8. \$3.41 million for the California Subject Matter Projects through the State Department of Education
9. \$6.7 million for the California Subject Matter Projects through the State Department of Education
10. \$1.9 million through CCC as grants for the Puente Project with a \$200,000 match (UC eligible)
11. \$2 million through the California Department of Food and Agriculture for coordination with the UC conservation genomics program

Legislation

AB 130 (Low) passed out of the Senate Education Committee. The bill would establish the Higher Education Performance and Accountability Commission, composed of five public members with experience in postsecondary education and requires the commission to develop an independent annual report on the condition of higher education in California. The University's position on the bill is pending.

AB 136 (Quirk-Silva) passed out of the Senate Governance and Finance Committee. The bill would disallow a charitable contribution deduction for contributions made to a postsecondary institution or to the Key Worldwide Foundation, and a deduction for certain business expenses related to a payment to the Edge College and Career Network, LLC, by taxpayers who meet specified conditions, including that they are named in any of several specified criminal complaints. The University has a support position on the bill.

AB 243 (Kamlager-Dove) passed out of the Senate Public Safety Committee. The bill would require peace officers currently required to take refresher courses every five years, and additional peace officers, to instead take refresher training on racial and identity profiling, including the understanding of implicit bias and the promotion of bias-reducing strategies at least every two years. The University's position on the bill is pending

AB 314 (Bonta) passed out of the Senate Labor, Public Employment and Retirement Committee. The bill would relate to labor relations release time that would apply to all public employers and employees. The University's position on the bill is pending.

AB 320 (Quirk) passed out of Senate Health Committee. The bill would create the California Mosquito Surveillance and Research Program, to be administered by UC. The University's position on the bill is pending.

AB 409 (Limon) passed out of the Senate Natural Resources and Water Committee. The bill would require the Strategic Growth Council to provide guidance in the development of a program to provide funding for activities that include development of specified planning tools, to be available in the public domain, for adapting to climate change in the agricultural sector, conducting specified pilot projects in the central valley, central coast, and desert regions of the state, and holding trainings for technical assistance providers on how to use the specified planning tools. The University's position on the bill is pending.

AB 451 (Arambula) passed out of the Senate Health Committee. The bill would require a psychiatric unit within a general acute care hospital, a psychiatric health facility, or an acute psychiatric hospital that has accepted a person for the purpose of determining the existence of a psychiatric medical emergency

condition, to provide emergency services and care to treat that person, regardless of whether the facility operates an emergency department, if the facility has appropriate facilities and qualified personnel. The University's position on the bill is pending.

AB 456 (Chiu) was sent to the Senate Appropriations Committee suspense file. The bill would remove the sunset, therefore making a claim resolution process applicable to any claim by a contractor in connection with a public works project against a public entity operative indefinitely. The University's position on the bill is pending.

AB 516 (Chiu) passed out of the Senate Transportation Committee. The bill would delete authority of a peace officer or public employee to remove or immobilize a vehicle issued five or more parking violation notices that are delinquent due to nonresponsiveness within a designated time period, and allows a vehicle in violation of a local ordinance to remain parked or standing for 10 or more days after a notice is affixed specifying the date and time after which it may be removed. The University's position on the bill is pending.

AB 603 (Melendez) passed off the Senate Floor. The bill redefine the term honorably retired to include a member of the University of California Police Department who has qualified for and accepted Duty Disability Income or an equivalent status pursuant to the University of California Retirement Plan, under provisions regarding the carrying of firearms by a retired peace officer. The University's position on the bill is pending.

AB 806 (Bloom) passed out of the Senate Appropriations Committee. The bill would require CSU and CCC and requests UC to add former homeless youth to the students to be granted, or requested to be granted, priority enrollment. The University's position on the bill is pending.

AB 1037 (Gipson) passed out of Senate Health Committee. The bill would expand the state licensing exemption to include any clinic operated by a nonprofit corporation that provides health care services within six miles of the Martin Luther King, Jr. Community Hospital (MLKCH), is located in LA County Service Planning Area 6, serves the indigent and uninsured , and participates in a graduate medical education program administered by MLKCH. The University's position on the bill is pending.

AB 1090 (Medina) was sent to the Senate Appropriations Committee suspense file. The bill would require CCC, CSU and request UC to waive any mandatory campus-based fees for any surviving spouse or surviving child of a deceased person who was a resident of the state and employed by or contracting with a public agency, whose principal duties consisted of active law enforcement service or active fire suppression and prevention, and who died as a result of their duties. The University's position on the bill is pending.

AB 1223 (Arambula) passed out of the Senate Insurance Committee. The bill would require a private or public employer to grant an employee an additional unpaid leave of absence, not exceeding 30 business days in a one-year period, for the purpose of organ donation. The University's position on the bill is pending.

AB 1229 (Wicks) passed out of the Senate Human Services Committee. The bill would enact the End Foster Youth Student Hunger in California Act of 2019 which would require the Student Aid Commission to report to the Legislature the amount of funding and the authority it would need to establish a Transition Age Foster Youth Meal Plan Program. The University's position on the bill is pending.

AB 1312 (Low) was sent to the Senate Appropriations Committee suspense file. The bill would enact the College Consultants Act which would require the Secretary of State and in consultation with the Department of Consumer Affairs, to recommend to the Legislature a cost-effective electronic registration process for the registration of college consultants and college consulting firms. The University has a support position on the bill.

AB 1376 (Ramos) passed out of the Senate Labor, Public Employment and Retirement Committee. The bill would amend veterans' preference provisions to require the Department of Human Resources to collaborate with specified state entities to establish a veterans' preference to be applied to employment opportunities within the field of cybersecurity that require a background check; Requests UC to enact specified provisions. The University's position on the bill is pending.

AB 1518 (Chu) passed out of the Senate Education Committee. The bill would authorize a student athlete to enter into a contract with an athlete agent without losing their status as a student athlete, if the contract complies with the policy of the student athlete's educational institution and the bylaws of the National Collegiate Athletic Association and includes a provision that the contract terminates if the student chooses to not seek employment with a professional sports team or organization as a professional athlete, and instead returns to school. The University has a support position on the bill.

AB 1645 (Rubio) passed out of the Senate Education Committee. The bill would require CCC and CSU and requests UC to designate a Dreamer Resource Liaison on each of their respective campuses, as specified, to assist students meeting specified requirements, including undocumented students, by streamlining access to all available financial aid, social services, state-funded immigration legal services, internships, externships, and academic opportunities for those students. The University's position on the bill is pending.

ACA 14 (Gonzalez) passed off the Assembly Floor. The measure would amend the California Constitution to prohibit UC from entering into contracts for a broad array of support and clinical services. The University has an oppose position on the measure.

SB 3 (Allen) passed out of the Assembly Higher Education Committee. The bill would establish the Office of Higher Education Coordination, Accountability, and Performance. The University does not currently have a position on the bill but has concerns about the lack of segment representation in the coordinating body.

SB 24 (Leyva) passed out of the Assembly Higher Education Committee. The bill would require each student health care services clinic on a UC or CSU campus to offer abortion by medication techniques. The University does not currently have a position on the bill but is working with the author.

SB 142 (Wiener) passed out of the Assembly Labor and Employment Committee. The bill would require employers to provide specified employee lactation accommodations, maintain records of requests for those accommodations for 3 years, and give the Labor Commission access to those records. The University's position on the bill is pending.

SB 150 (Beall) was sent to the Assembly Appropriations Committee suspense file. The bill would remove Chafee grant eligibility upon failure to demonstrate satisfactory academic progress for specified periods years with options for reinstatement through appeal and for reenrollment to regain eligibility, and limits the duration of the award to 5 years which would not be required to be consecutive. The University's position on the bill is pending.

SB 163 (Portantino) passed out of the Assembly Health Committee. The bill would redefine and expand requirements for behavioral health treatment, and qualified autism service professionals and paraprofessionals. The University's position on the bill is pending.

SB 173 (Dodd) passed out of the Assembly Appropriations Committee. The bill would create a standardized form that universities and community colleges would be required to use to verify that a student is approved and anticipates participating in state/federal workstudy, for the purpose of assisting county human services agencies in determining the student's potential eligibility for CalFresh. The University's position on the bill is pending.

SB 206 (Skinner) passed out of the Assembly Arts, Entertainment, Sports, Tourism and Internet Media Committee. The bill would enact the Fair Pay to Play Act, which allows student-athletes at the University of California to receive compensation based on their name, image and likeness and prohibits any governing body with authority over intercollegiate athletics from limiting a student-athlete's ability to earn compensation as a result of that student's name, image, or likeness. The University opposes the bill.

SB 227 (Leyva) passed out of the Assembly Health Committee. The bill would require periodic inspections of general acute care, acute psychiatric, and special hospitals to include reviews of

compliance with the nurse-to-patient ratios and staff assignment regulations. The University's position on the bill is pending.

SB 230 (Caballero) passed out of the Assembly Public Safety Committee. The bill would require law enforcement agencies to maintain a policy that provides guidelines on the use of force, deescalation techniques and other alternatives, and factors for evaluating and reviewing such incidents, and to make the policy publicly accessible. The University's position on the bill is pending.

SB 237 (Hertzberg) passed out of the Assembly Higher Education Committee. The bill would establish the position of California Laureate for STEM be appointed for a specified term by the Governor and confirmed by the Senate. The University's position on the bill is pending.

SB 255 (Bradford) passed out of the Assembly Utilities and Energy Committee. The bill would reduce the annual gross revenue threshold requirement to \$15 million for electric service providers, community choice aggregators, and other specified entities to annually submit a detailed and verifiable plan for increasing procurement from women, minority, disabled veteran, and LGBT business enterprises in all categories. The University's position on the bill is pending.

SB 354 (Durazo) was sent to the Assembly Appropriations Committee suspense file. The bill would expand the California DREAM loan eligibility to a student enrolled in a professional or graduate degree program, including, but not limited to, a teaching credential, if other applicable qualifications are met, and requires the participating institution to determine the proportion of program funding for instructional and graduate programs, with priority given to loans for instructional programs. The University has a support position on the bill.

SB 398 (Durazo) passed out of the Assembly Judiciary Committee. The bill would authorize protection and advocacy agencies to monitor a facility's, program's, or service provider's, including a hospital's compliance regarding the rights and safety of individuals with disabilities, and to obtain access to records of those disabled persons upon determination of probable cause. The University's position on the bill is pending.

SB 425 (Hill) passed out of the Assembly Business and Professions Committee. The bill would require reporting of any written patient allegation of sexual abuse or sexual misconduct against a healing arts licensee practicing at any health care facility or other entity at which a healing arts licensee practices to the relevant state licensing agency within 15 days, and requires an investigation of the underlying circumstances. The University has a support position on the bill.

SB 467 (Monning) passed out of the Assembly Appropriations Committee. The bill would request UC and requires CSU to post on its website information about the market cost of 2-bedroom apartments and

one-person bedrooms in private houses in the areas near that campus, cost-of living categories, and a statement emphasizing the variability of actual costs for individual students. The University's position on the bill is pending.

SB 484 (Portantino) passed out of the Assembly Higher Education Committee. The bill would require CCC to identify students who have completed an associate degree for transfer, notify them of their completion of the degree requirements, automatically award them the degree, and add them to an I.D. system at the end of each academic year that the CCC chancellor's office would be required to maintain and that would be accessible electronically by CSU, UC, and independent institutions of higher education. The University's position on the bill is pending.

SB 493 (Jackson) passed out of the Assembly Higher Education Committee. The bill would require an institution of higher education that receives any state funds, including funds for student financial assistance, to comply with specified requirements relating to the protection of students from, and providing students with procedural protections relating to complaints of sexual harassment. The University's position on the bill is pending.

SB 503 (Pan) passed out of the Assembly Health Committee. The bill would require a Medi-Cal managed care plan to conduct specified audits of its subcontractors, including an annual medical audit of any subcontractor that performs delegated functions involving medical review and decisionmaking. The University's position on the bill is pending.

SB 583 (Jackson) passed out of the Assembly Health Committee. The bill would expand coverage for clinical trials under a plan contract or insurance policy to include a clinical trial relating to the prevention, detection, or treatment of cancer or a life-threatening disease or condition, and include a trial funded by, among others, a qualified nongovernmental research entity. The University's position on the bill is pending.

SB 660 (Pan) passed out of the Assembly Higher Education Committee. The bill would require CSU and CCC to establish a goal of having one full-time equivalent mental health licensed counselor per 1,500 students enrolled. The University's position on the bill is pending.

SB 698 (Leyva) passed out of the Assembly Labor and Employment Committee. The bill would require UC employees be paid on a regular payday and requires those employees who are paid on a monthly basis to be paid no later than 5 days after the close of the monthly payroll period. The University's position on the bill is pending.

SB 778 (Senate Labor, Public Employment and Retirement Committee) passed out of the Assembly Appropriations Committee. The bill would require an employer with 5 or more employees to provide

sexual harassment training and education by 1/1/21, and thereafter once every 2 years. The University's position on the bill is pending.

Upcoming State Government Relations Events, Hearings and Key Dates

July 10 – Last day for policy committees to hear and report fiscal bills to fiscal committees.

July 12 – Last day for policy committees to hear and report bills.

July 12 – Summer Recess begins upon adjournment, provided Budget Bill has been passed.

August 12 – Legislature reconvenes from Summer Recess.

August 30 – Last day for fiscal committees to meet and report bills.

Sept. 3 to 13 – Floor session only.

Sept. 6 – Last day to amend bills on the floor.

Sept. 13 – Last day for any bill to be passed. Interim Recess begins upon adjournment.

Oct. 13 – Last day for Governor to sign or veto bills passed by the Legislature on or before Sept. 13.

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.