



## **UC Davis State Government Relations Update November/December 2020**

*Adrian Lopez*  
*Director, State Government Relations*

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### **2020 General Election Results**

#### **Democrats in Control**

Per the results of the November 3<sup>rd</sup> election, which were certified by the Secretary of State on December 11<sup>th</sup>, the Democrats will maintain supermajorities in both houses of the California State Legislature. Specifically, Assembly and Senate Democrats will hold 60 and 31 seats respectively in their houses, allowing for more than enough votes for two-thirds majorities.

#### **State Assembly**

Members of the California State Assembly serve two-year terms, with every seat up for election each even-numbered year. There were no termed-out Assembly Members this election cycle. Also all incumbent Assembly Members in UC Davis' service area won reelection. This includes Assembly Members Aguiar-Curry, Cooley, Cooper, Dahle, Frazier, Gallagher, Kiley, McCarty and Wood. Additionally, Alex Lee was elected to the State Assembly and will represent the 25<sup>th</sup> Assembly District. Assemblyman Lee is a UC Davis alum and former ASUCD President.

#### **State Senate**

This past November only the 20 odd-numbered Senate seats were up for election, meaning Senators McGuire, Nielsen and Pan were not up for reelection. However, Senators Dahle and Dodd were successful in their reelection bids. Moreover, David Cortese won his election to become the Senator for District 15. Senator Cortese is a UC Davis alum.

## State Ballot Measures

**Proposition 14 Passed:** Authorizes \$5.5 billion in state bonds for stem cell and other medical research, including training, research facility construction and administrative costs. Dedicates \$1.5 billion to brain-related diseases. Appropriates General Fund moneys for repayment. Expands related programs. Fiscal Impact: Increased state costs to repay bonds estimated at about \$260 million per year over the next 30 years.

**Proposition 15 Failed:** Would have increased funding sources for public schools, community colleges, and local government services by changing tax assessment of commercial and industrial property.

**Proposition 16 Failed:** Would have allowed diversity as a factor in public employment, education, and contracting decisions. Legislative constitutional amendment.

**Proposition 17 Passed:** Restores voting rights upon completion of prison term to persons who have been disqualified from voting while serving a prison term. Fiscal Impact: Annual county costs, likely in the hundreds of thousands of dollars statewide, for voter registration and ballot materials. One-time state costs, likely in the hundreds of thousands of dollars, for voter registration cards and systems.

**Proposition 18 Failed:** Would have amended the California Constitution to permit 17-year-olds to vote in primary and special elections if they would have turned 18 by the next general election and be otherwise eligible to vote.

**Proposition 19 Passed:** Allows homeowners who are over 55, disabled, or wildfire/disaster victims to transfer primary residence's tax base to replacement residence. Fiscal Impact: Local governments could gain tens of millions of dollars of property tax revenue per year, probably growing over time to a few hundred million dollars per year. Schools could receive similar property tax gains.

**Proposition 20 Failed:** Would have authorized felony sentences for certain offenses currently treated only as misdemeanors.

**Proposition 21 Failed:** Would have allowed local governments to establish rent control on residential properties over 15 years old.

**Proposition 22 Passed:** Classifies app-based drivers as "independent contractors," instead of "employees," and provides independent-contractor drivers other compensation, unless certain criteria are met. Fiscal Impact: Minor increase in state income taxes paid by rideshare and delivery company drivers and investors.

**Proposition 23 Failed:** Would have required physicians, nurse practitioners or physician assistants on site during dialysis treatment.

**Proposition 24 Passed:** Enables consumers to prevent businesses from sharing personal information, including precise geolocation, race, ethnicity, and health information. Establishes California Privacy Protection Agency. Fiscal Impact: Increased annual state costs of at least \$10 million, but unlikely exceeding low tens of millions of dollars, to enforce expanded consumer privacy laws. Some costs would be offset by penalties for violating these laws.

**Proposition 25 Failed:** Thus rejecting the law replacing money bail with a system based on public safety and flight risk.

### **University of California 2021-22 State Budget Request**

The below budget request was approved by the Regents and commences the budget process for 2021-22. The State Constitution requires the Governor to submit a balanced budget proposal to the Legislature by January 10<sup>th</sup>.

#### **\$518.3 Million in Ongoing Funding**

- **Restoration of Core Funding** – Restoring **\$300.8 million** of State General Fund support reduced in 2020–21.
- **Sustaining Core Operations: \$157.7 million**
  - \$31.4 million for wage growth among represented employees supported by core funds, an increase of approximately 3.1 percent over 2020–21 levels.
  - \$33 million for the faculty merit program, a cornerstone of the University’s strategy for retaining and supporting faculty members as they grow in experience and productivity and progress through the ranks through a rigorous peer-reviewed process.
  - \$17.3 million to provide a 1.5 percent salary adjustment to policy-covered (unrepresented) staff in Professional and Support Staff (PSS) classifications. The average base salary for employees in this classification was \$64,050 in 2018–19.
  - \$30 million for University of California Retirement Plan (UCRP), of which \$19.4 million is due to the 0.5 percent increase in the employer contribution rate approved by the Regents.
  - \$31 million for employee and retiree health benefit increases. This represents a 4 percent increase for current employee health benefits and a 4.4 percent increase for retiree health benefits.
  - \$15 million to cover projected increases in AB 94 debt service for State-approved projects that are scheduled to be completed in 2021-22.
- **Focused Investments: \$59.8 million**
  - \$30.4 million to support investments in programs and services designed to address the achievement gaps between students from disadvantaged backgrounds. Campus strategies to achieve this goal include student academic preparation, advising, tutoring, and analytical tools to allow early intervention, and innovations in instructional delivery.

- \$16.5 million to develop targeted interventions to meet the unique needs of a diverse student population to address anxiety, depression, stress, and other mental health needs.
- \$12.9 million for Programs in Medical Education (PRIME) to support existing enrollment, to launch a new PRIME program focused on the needs of American Indian communities, and to launch or expand other PRIME programs that are priorities for the State.

### **\$250 Million in One-Time Funding**

- \$150 million for energy sustainability deferred maintenance projects.
- \$100 million for high-priority deferred maintenance projects.
- The proposed projects were selected because they either provide energy efficiency to the campus, can be initiated within six months (meaning many will provide additional local employment), and/or they were reported by campuses as high-priority in the Integrated Capital Asset Management Program (ICAMP).

### **Upcoming State Government Relations Deadlines, Events and Key Dates**

**Jan. 1** Statutes take effect.

**Jan. 4** Legislature reconvenes.

**Jan. 10** Budget must be submitted by the Governor.

**Jan. 18** Martin Luther King, Jr. Day.

**Jan. 22** Last day to submit **bill requests** to the Office of Legislative Counsel.

### **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 of State Government Relations. He can be reached at [adnlopez@ucdavis.edu](mailto:adnlopez@ucdavis.edu) or by phone at (530) 752-9795.