State Legislative Update

Overview

On January 3, 2011 Governor Jerry Brown was inaugurated into office, officially launching his new administration. Along with the other Constitutional Officers who were sworn into office, Monday was a day of welcoming and celebration only to brace for what is expected to be a challenging new year. The other big news of the week was the announcement of several new key Gubernatorial appointments and new Senate Committee Chairs. The Speaker of the Assembly announced full committee assignments on December 15, 2010 (see below).

All eyes are now on the state budget. The Governor will release his 2011-12 state budget proposal on Monday, January 10, 2011. There will be much discussion about this proposal in the days and months to come.

Gubernatorial Appointments, Superintendant’s Transition Team and Committee Chairs

As the transition to a new administration continues, Governor Brown is announcing appointments to cabinet positions. Instead of naming a Chief of Staff, the duties will be shared by two Executive Secretaries, Jim Humes and Nancy McFadden. Mr. Hume will oversee administration, legal affairs, and policy, while Ms. McFadden will oversee legislation, appointments, and policy. Governor Brown also appointed his wife, Anne Gust Brown as Special Counsel, but she will not receive a salary. The Governor has also made several appointments to the State Board of Education, including John Ramos, a trustee from the San Bernardino Community College District.

Superintendent of Public Instruction, Tom Torlakson announced his 50 member transition team. Members include Chancellor Jack Scott and Trustee James Ramos. All members of the Superintendant’s transition team are listed on the California Department of Education’s website.

Election Summary

Following the 2010 November election cycle there remain several special elections to be held. Assemblymember Ted Gaines (R) was reelected to Assembly District (AD) 4 on November 2, 2010, and on January 4, 2011 he won the Special Election to Senate District (SD) 1. The Special Election to fill the new vacancy in AD 4 will be set by the Governor. In addition, there are two Special Election vacancies in SD 17 and SD 28. The Special Election Primary in these two Senate Districts is set for February 15, 2011. The General Special Election for these two Senate Districts is scheduled for April 19, 2011. State Assembly and Senate Rosters have been updated and are available on the Chancellor’s Office website.
On January 6, 2011, Senate President Pro Tem Darrell Steinberg announced the chairs for the Senate committees. Chairpersons for key committees for our legislative and budget issues in the Senate include:

**Senate Budget and Fiscal Review**
Senator Mark Leno

**Budget Subcommittee #1 – Education**
Senator Carol Liu

**Education**
Senator Alan Lowenthal

**Appropriations**
Senator Christine Kehoe

On December 15, 2010, Speaker John Perez announced Assembly Committee membership. The following members of key Assembly committees include:

**Assembly Committee on Higher Education**
Assemblymember Marty Block, Chair
Assemblymember Tim Donnelly, Vice Chair
Assemblymember Katcho Achadjian
Assemblymember Julia Brownley
Assemblymember Paul Fong
Assemblymember Cathleen Galgiani
Assemblymember Ricardo Lara
Assemblymember Jeff Miller
Assemblymember Anthony Portantino

**Assembly Budget Subcommittee No. 2 on Education Finance**
Assemblymember Susan Bonilla, Chair
Assemblymember Bill Berryhill
Assemblymember Julia Brownley
Assemblymember Brian Nestande
Assemblymember Sandre Swanson
Assemblymember Bob Blumenfield, Democratic Alternate
Assemblymember Jim Nielsen, Republican Alternate

Following is a brief summary of community college related bills recently introduced in the Legislature. Attached is the legislative tracking matrix, which provides a comprehensive list of all community college-related bills monitored by the Chancellor’s Office.
COMMUNITY COLLEGE BILLS OF INTEREST

AB 1 (J. Perez) CalWORKs: Child Care Funding
Analysis/Summary: Restores $233.5 million in funding for the California Work Opportunity and Responsibility to Kids (CalWORKs) Stage 3 child care development services for fiscal year 2010-11 and is retroactive to November 1, 2010.

Comments: If enacted this bill would have a direct impact on students rather than the colleges. Under provisions of this bill the State Department of Education is required to use these funds for families that were receiving, or would have been eligible to receive, CalWORKs Stage 3 child care development services, on or after October 31, 2010. Governor Schwarzenegger’s veto of the $256 million in CalWORKs Stage 3 Proposition 98 General Funding created a Proposition 98 settle-up obligation, and AB 1 would reduce that future obligation. Senator Ellen Corbett’s bill on this topic, SB 12, mirrors AB 1.

Location: Assembly Third Reading.

AB 2 (Portantino) Postsecondary Education: Accountability
Analysis/Summary: AB 2 would require the state to establish a postsecondary accountability framework to biennially assess and report on the state’s system of higher education in meeting certain educational and economic goals. The framework would include 6 statewide policy questions to measure postsecondary performance. CPEC will serve as the repository for the collection of data for the framework and for making data broadly available. The segments would submit specified data to CPEC on or before May 31, 2012, and by May 31st biennially thereafter. Commencing August 1, 2012, and biennially thereafter, CPEC would submit to the Legislature and the Governor a report on the data collected from the postsecondary segments. The Legislative Analyst’s Office (LAO) would convene a Technical Advisory Committee that would coordinate the technical specifications of the data needed to address the key issues of accountability. The LAO would also be responsible for assessing the data compiled by CPEC and making policy and budgetary recommendations in a report to the Legislature on or before December 30, 2012, and each even-numbered year thereafter. The Governor would convene a task force by January 1, 2012 to review the framework proposed by this bill and recommend changes.

Comments: Previous legislation on this topic includes AB 218 (Portantino) of 2010 which was held in Senate Suspense File, SB 325 (Scott) of 2008, and SB 1331 (Alpert) 2004. Both SB 325 and SB 1331 were vetoed by the Governor because they did not contain incentives and penalties. What happens if the segments do or don’t meet goals stated in AB 2? The author believes it would be premature to assign penalties until appropriate goals are determined, necessary data collection systems are in place, and funding for the segments has stabilized enough to fairly evaluate their ability to meet the specified goals.

Location: Introduced, Assembly.

AB 15 (V. Perez) Workforce Development: Renewable Energy Workforce Readiness Initiative: Local Workforce Investment Boards
Analysis/Summary: Requires the California Workforce Investment Board (CWIB), by July 1, 2012 and in consultation with the Green Collar Jobs Council, to establish a Renewable Energy Workforce Training Initiative to ensure green collar job placement and advancement opportunities within California’s renewable energy manufacturing, construction, installation, maintenance and operation sectors.
Comments: The author’s office expects to make significant amendments to this bill prior to the first policy committee. AB 15 is similar to AB 3 (V. Perez) of 2010 which was vetoed by Governor Schwarzenegger. In his veto message the Governor argued it was unnecessary to legislatively establish additional mandates on existing efforts by his Administration to accomplish the stated objectives in the bill.

Location: Introduced, Assembly

AB 21 (Nestande) State Budget: Debt and Deferral Report
Analysis/Summary: This bill would require the Governor or the Department of Finance (DOF) to submit a report to the Legislature along with the Governor’s Budget that would include a list of the state's key liabilities. The report would include a discussion of budget-related, infrastructure-related, and retirement-related liabilities, and recommendations for the retirement of those liabilities.

Comments: This bill appears to be a Truth in Budgeting/Good Government Bill that would require the Governor and DOF to identify each year, the budget is presented, a list of all the expected expenditures and all the estimated revenues for the year for comparison purposes. It would prohibit the use of estimated revenues from any expected law changes. This means only laws in effect that generate revenues can be used to estimate the expected revenues in the budget year. It would also require that a similar comparison of the prior year’s expenditures and revenues be made public.

Location: Introduced, Assembly

AB 24 (Block) California State University: Feasibility Study: Chula Vista
Analysis/Summary: AB 24 would require the commission to complete a study and make recommendations concerning the feasibility of establishing and expanding postsecondary education opportunities in Chula Vista, California.

Comments: AB 24 is similar to AB 23 (Block) 2010 which would have required the Chancellor of the California State University to complete and submit to the trustees a study about the feasibility of a California State University satellite program, and ultimately, an independent California State University campus in Chula Vista.

Location: Introduced, Assembly

AB 26 (Donnelly) Illegal Immigrants
Analysis/Summary: AB 26 would prohibit public officials and agencies from adopting a policy that limits or restricts the enforcement of federal immigration laws or that restricts the sharing of a person’s immigration status. The bill would allow any person to bring an action against an entity to enforce these provisions. Major provisions of the bill include:

- Prohibition against employers who knowingly or intentionally employ an unauthorized alien.
- Creation of a process for persons to file complaints of violations of these provisions with the Attorney General or a district attorney.
- Development of a new misdemeanor for anyone who makes a false and frivolous complaint alleging a violation of these provisions by an employer.
- Provides for the investigation of these complaints and consequences, including the suspension of certain licenses, for employers that violate these provisions.
- Requires every employer to verify the employment eligibility of employees through the federal E-Verify program.
• Requires employers to participate in the federal E-Verify program in order to be eligible for economic development incentives.

**Comments**: Because this bill would impose new duties on local governments and district attorneys, it would impose a state-mandated local program. The community colleges would as employers be required to comply with these provisions.

**Location**: Introduced, Assembly

**AB 63 (Donnelly) Public Postsecondary Education: Tuition and Fees**

**Analysis/Summary**: AB 63 would amend state law to conform to federal law by granting a member of the Armed Forces, or his or her dependent, entitlement to resident classification; thus, these students would be eligible for resident registration and tuition fees at the California Community Colleges and the California State University. The bill specifically prohibits undocumented members of the Armed Forces from this entitlement, and requests that the Regents of the University of California establish the same residency requirements as those contained in AB 63.

**Comments**: To the extent that AB 63 would require community college districts to revise their procedures for calculating enrollment fees for students, the bill would impose a state-mandated local program. The segments do not know how many student veterans would benefit from this bill, but each segment would incur revenue losses from the reduced fee payments. These losses could grow over time as awareness grows of this benefit. A similar bill, AB 2159 (Anderson) of 2010, was held in the Assembly Suspense File. The early versions of AB 2159 contained language regarding illegal immigrants; however, the final version of AB 2159 did not reference this issue.

**Location**: Introduced, Assembly.

**AB 89 (Hill) Retirement: Public Employees**

**Analysis/Summary**: This bill would prohibit any public employee pension from being based on a salary exceeding the federal cap. The current cap is $245,000. The provisions in this bill would apply to local community college employees and state employees.

**Comments**: In 2007, the UC was granted an exemption by the Internal Revenue Service, which removed the $245,000 federal cap used to limit retirement benefits for public employees. The federal cap limits an employee’s pension calculation to the employee’s highest average salary over a three-year period up to $245,000, which means an annual pension of roughly $183,000. Without the cap, pension payments could reach more than $300,000 a year. Recently several UC executives have threatened to sue the Regents alleging that they were promised the higher pension rates. The author of the bill is currently looking for any other public entities that have a similar waiver.

**Location**: Introduced, Assembly.

**ACA 4 (Blumenfield) Local Government Financing: Voter Approval**

**Analysis/Summary**: ACA 4 would permit approval by 55% of the voters of the city, county, city and county, or special district to impose bonded indebtedness to fund public improvements and facilities.

**Comments**: The California Constitution prohibits local government agencies, and community colleges fall under this definition in statute, from incurring any indebtedness exceeding in one year the income and revenue provided in that year without the assent of a two-thirds of the voters.

**Location**: Introduced, Assembly
SB 8 (Yee) Public Records: State Agency: Auxiliary Organizations
Analysis/Summary: SB 8 would apply the California Public Records Act (CPRA) to auxiliary organizations at UC, CSU, and any auxiliary established California Community College Board of Governors the CPRA already applies to auxiliary bodies established by local community college districts. The intent of the bill is to place state college and university auxiliaries under the authority of the CPRA to safeguard the use of taxpayer funds and provide much needed accountability and oversight to state policymakers. The bill also permits that the foundations can request anonymity of donors if their donation is $500 or less. The bill reaffirms existing exemptions to the CPRA for propriety information, trade secrets, or other documents that have an economic value (actual or potential economic value such as prospective donor lists).

Comments: This bill is similar to SB 330 (Yee) of 2010 and SB 218 (Yee) of 2009, both of which were vetoed by Governor Schwarzenegger. Responding to the Governor’s veto message to SB 218, SB 330 included an exemption for the names of volunteers and donors and their phone numbers and addresses so long as certain provisions were met. In his veto message for SB 330, the Governor argued the bill could still compromise the privacy of anonymous donors despite this exemption.
Location: Introduced, Senate

SB 27 (Simitian) Public Retirement: Final Compensation: Computation: Retirees
Analysis/Summary: This bill would prohibit members of Public Employees’ Retirement System (PERS) or State Teachers’ Retirement System (STRS) who retire after January 1, 2013 from working (including part-time or under contract) for a PERS/STRS employer for 6 months after retirement. This bill specifies that if a STRS retiree earns compensation in violation of this requirement, his or her retirement allowance will be reduced by the amount of compensation earned in the prohibited period. This bill becomes operative for all active and future members of the retirement systems beginning July 1, 2012. This bill institutes uniform laws for PERS and STRS retirement systems that will help to curtail an individual from taking extraordinary steps to enhance their retirement benefits (i.e. ‘spiking’).

Comments: The bill requires that employees have a separation in service of six months before taking another position in public service to prevent ‘double dipping.’ This provision will eliminate ‘revolving door’ practices in which some public employees retire on a Friday and return to the same job on Monday as a retired worker. According to the author a small percentage of public employees have intentionally, but legally, manipulated their final compensation for purposes of gaining a larger pension benefit. Senate Bill 27 is designed to correct abuses that impose an undue burden on both taxpayers and employees in the system, and erode public support for reasonable public employee pensions. If this bill passes it could prevent community colleges from retaining the expertise they need, i.e. financial aid, if they are not permitted to hire retirees to work part-time, particularly in rural areas. Senator Simitian authored this same bill in 2010, Senate Bill 1425, which was vetoed by the Governor.
Location: Introduced, Senate

SB 46 (Correa) Local Government: Salary Disclosures
Analysis/Summary: SB 46 would require local government officers to submit a compensation disclosure form to the Secretary of State. Each local government will also be required to post the information from those forms on their web site. The author of this bill believes that with greater accessibility of information egregious acts like those discovered in the City of Bell will be less likely to occur. SB 46 provides a comprehensive statewide approach for how local agencies (counties, cities, school districts, special districts, and JPAs) should make compensation information easily available for
constituents and interested parties to review. Community colleges are defined in many sections of statute as a local government agency and may be subject to requirements in this bill.

Comments: In the aftermath of the City of Bell situation some local agencies have chosen to provide this information in a more accessible format, while others are still trying to determine what their own agencies will do regarding this issue. SB 46 provides a uniform and streamlined approach for how compensation information on designated employees is filed and made available to the public, and provides the public with a document that can be easily obtained from a local agency.

Location: Introduced, Senate

SCA 5 (Simitian) Taxation: Educational Entities: Parcel Tax

Analysis/Summary: SCA 5 authorizes school districts, community college districts, or county offices of education to impose a parcel tax on real property by a 55 percent vote of the voters in the district or county. It defines "parcel tax" as a special tax imposed upon real property at a rate determined without regard to the property's value. Currently it takes a two-thirds vote to impose parcel tax changes.

Comments: According to the author California voters have consistently designated education as a chief priority, and in 2000 passed an initiative lowering to 55 percent the threshold for passing education facilities bonds. He argues this measure would conform the parcel tax threshold to the same 55 percent threshold level for passing bonds and provides for local choice and control.

Location: Introduced, Senate

Prepared by the Government Relations Division
California Community College Chancellor’s Office
## California Community College Chancellor's Office Legislative Tracking Matrix

### 2011 Legislative Session: 1/7/2011

The matrix provides an overview of legislation tracked by the Chancellor's Office. It includes details on bill status, tracking by tier, and authorship. The matrix is divided into three main sections:

### Bills Tracked by the Chancellor's Office - Tier 1
- **AB 2** Portantino: Higher education: Accountability
- **SB 8** Yee: Auxiliary Organization: Public records

### Bills Tracked by the Chancellor's Office - Tier 2
- **AB 1** J. Perez: CalWORKS: child care funding
- **AB 15** V. Perez: Workforce Development: Renewable Energy Workforce
- **AB 21** Nestande: State budget: debt and deferral report
- **AB 24** Block: CPEC: Chula Vista report
- **AB 26** Donnelly: Illegal immigration
- **AB 63** Donnelly: Community college residency fees: military/AB 540 repeal
- **ACA 4** Blumenfield: Local Government Financing; Voter Approval
- **SB 27** Simitian: Public Retirement: Final Compensation: Computation
- **SB 46** Correa: Local Government Salary Disclosure
- **SCA 5** Simitian: Taxation: Educational Entities: Parcel Tax

### Bills Tracked by the Chancellor's Office - Tier 3
- **AB 7** Portantino: State employees: salary freeze over $120,000
- **AB 23** Smyth: Local agency meetings
- **AB 27** Gorell: State budget: agency reporting
- **AB 211** Mendoza: School Facilities Classroom Security Locks
- **SB 12** Corbett: CalWORKS: child care funding
- **SB 31** Correa: Local Government Lobbyist Registration (Spot)

### Bills Tracked by the Chancellor's Office - Special Session - 12/6/10
- **AB 1X** Portantino: State employees: salary freeze over $120,000
- **AB 3X** Logue: Regulations: 5-year review and report
- **AB 4X** Logue: Regulations: effective date
- **AB 5X** Logue: Regulations: legislative notice
- **AB 6X** Logue: Regulations: Economic Impacts Review

### Status
- **Concurrence** = The bill needs approval by the house of origin if that bill that has been amended in the second house. If the author is unwilling to move the bill as amended by the other house, the author requests "nonconcurrence" and for the formation of a conference committee.
- **Held** = The bill was placed in the inactive file, kept in the committee w/o a vote, its hearing was cancelled, or it did not meet legislative deadlines. Some bills that are designated "Held" may not currently be moving through legislative committees, but could receive rule waivers and continue to be tracked by the Chancellor's Office.
- **Failed** = The bill was heard in committee or on the floor and did not pass. Reconsideration may have been granted.

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Copies of these bills and legislative committee analyses can be found at www.leginfo.ca.gov.