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May 16. 2013

The Honorable Mike Gatto Chair, Assembly Appropriations Committee State Capitol, Room 2114 Sacramento, CA 95814

Re: UC Positions on Legislation Currently/Expected on Assembly Appropriations Suspense File

Dear Chairman Gatto,

On behalf of the University of California, I would like to inform you of our position on legislation that is currently or expected to be on your Committee Suspense File. We greatly appreciate your Committee's consideration of our position on the following bills:

AB 27 (Medina) - SUPPORT.

This bill seeks to appropriate \$15 million annually to support the operational expenses associated with the new UCR School of Medicine. The state's commitment of these funds will help support a significant increase in the number of medical student slots and resident positions that will address the healthcare needs of a substantially underserved population in the Inland Empire. The UCR School of Medicine represents a community approach that will seek to address the rapidly changing healthcare landscape in California and the promise of the federal Affordable Care Act. The funding will also leverage financial commitments that have been made by the University of California, local governments, foundations and private parties. We enthusiastically request your support for AB 27.

AB 67 (Olsen) – OPPOSE.

This bill would prohibit the Trustees of the California State University and encourage the Regents of the University of California to refrain from increasing the amounts charged for undergraduate tuition and mandatory statewide fees for California residents in the preceding fiscal year when certain increases in appropriation's related to the University of California are made in the same specified budget acts. The implication in the bill is that the University could do without the tuition increases if the State provides the 4-5 percent augmentation proposed by the Governor for the next several years. The fact is the State augmentations would only cover the State's share of our budget needs--we would need another solution for each increment of foregone tuition and fee revenue. The total loss to UC over the 4 years, if AB 67 were enacted, would be well over \$560 million.

AB 33 (Perea) – SUPPORT.

This measure would allow for a personal or corporate tax credit equal to 15 percent of qualified royalties paid on UC or CSU-owned patents that are commercialized by California taxpayers. The University of California is pleased to support this bill, as we believe that providing incentives for these investments in UC research - through a tax credit on royalty payments - has the potential to spawn greater commercialization of UC inventions and discoveries.

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If you have any questions regarding our position on any of these bills please contact me 916-445-9924.

Regards,

Steve Juarez

Associate Vice President and Director

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State Governmental Relations

cc: Vice Chair and Members of the Assembly Appropriations Committee

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