



2019 Year-End Briefing UC Office of State Governmental Relations October 18, 2019

Annual Year-End Briefing recaps UC's legislative year

This 2019 edition of the University of California (UC) Office of State Governmental Relations (SGR) ***Year-End Briefing*** wraps up legislation that posed a “significant impact” to the University during the past year.

The University reviewed over 3,000 new bill introductions and about 3,600 subsequently amended bills this year to assess potential impact to the UC. SGR tracked approximately 400 “significant impact” measures in 2019 and UC took positions on over 20 measures that directly affected its academic affairs, business operations, and health sciences and services. SGR staff testified on numerous occasions in 13 different policy and fiscal committees. Additionally, SGR prepared many UC subject matter experts for testimony in a variety of informational hearings conducted by legislative committees.

Among the most significant pieces of legislation this year were bills sponsored by the University, including: AB 48 (O'Donnell and Glazer), which creates the Public Preschool, K-12, and College Health and Safety Bond Act of 2020; and SB 442 (Dodd), which provides for the first time the opportunity for University researchers to commercialize discoveries that emanate from samples collected in the California state park system. Both measures were signed by Governor Newsom. The University also had oppose positions on three critical measures: SB 206 (Skinner), which allows student athletes at the UC to receive compensation based on their name, image and likeness; and SB 698 (Leyva), which requires UC employees to be paid on a regular payday. The Governor signed both of these bills. The University also strongly opposed ACA 14 (Gonzalez), which sought to limit the University's authority to contract out for support services. ACA 14 failed passage on the Senate Floor, and remains active as a two-year measure.

UC's 2019 Legislative Portfolio (Sponsored Legislation)

AB 48 (O'Donnell & Glazer) creates the Public Preschool, K-12, and College Health and Safety Bond Act of 2020 to provide \$15 billion to UC, California State University (CSU), California Community Colleges (CCC), and pre-K-12 education to construct and modernize education facilities - \$2 billion for UC, \$2 billion for CSU, \$2 billion for CCC, and \$9 billion for K-12. The University **supported** the bill and requested the Governor's signature. The Governor signed the bill on October 7, 2019 (Chapter 530).

SB 14 (Glazer, Allen & Wilk) seeks to enact the Higher Education Facilities Bond Act of 2020 for the issuance of state general obligation bonds up to \$8 billion, with one-half of the amount designated for UC and Hastings College of the Law and the other half for CSU. The contents of SB 14 were amended into AB 48 (O'Donnell/Glazer), with the overall amount of \$4 billion identified for UC and CSU. The bill remains in the Assembly Rules Committee.

SB 442 (Dodd) provides an exception to the prohibition on commercial exploitation of resources in the California state park system for the commercialization of investigation results. The University **supported** the bill and requested the Governor's signature. The Governor signed the bill on October 2, 2019 (Chapter 477).

SB 461 (Roth) makes students who are eligible for a Cal Grant A or B award eligible to receive a Summer Cal Grant Award. UC co-sponsored the bill with the UC Student Association. While the bill did not advance this year, SGR worked with Senator Roth to secure \$4 million in ongoing funding in this year's state budget for UC to expand financial aid for its students. The bill remains in the Assembly Higher Education Committee as a two-year bill.

Major Legislation Focused on the UC

AB 136 (Quirk-Silva) prohibits taxpayers found guilty in the recent college admissions scandal from benefiting from illegal income tax charitable contribution or business expense deductions. The University **supported** the bill and requested the Governor's signature. The Governor signed the bill on October 4, 2019 (Chapter 511).

AB 540 (Limon) establishes the California Dreamer Service Incentive Grant Program. The bill requires a participating student, in order to receive a grant award under the program, to be a recipient of a Cal Grant B award; to be enrolled as a student at UC, CSU, CCC or an independent institution of higher education; and to perform at least 100 hours per quarter or 150 hours per semester of community or volunteer service, as provided. The University **supported** the bill and requested the Governor's signature. The Governor signed the bill on October 4, 2019 (Chapter 513).

AB 624 (Gabriel) requires student ID cards at colleges and universities to include the telephone number for a local resource that provides sexual and reproductive health care information that is medically accurate. The University **supported** the bill after amendments were taken to address the University's concerns, and requested the Governor's signature. The Governor vetoed the bill on October 12, 2019.

AB 1312 (Low) enacts the College Consultants Act, which would require the Secretary of State, in consultation with the Department of Consumer Affairs, to recommend to the Legislature a cost-effective electronic process for the registration of college consultants and college consulting firms. The University **supported** the bill. The bill remains in the Senate Appropriations Committee as a two-year bill.

AB 1313 (Rivas) enacts the Educational Debt Collection Practices Act to prohibit any postsecondary educational institution from withholding a student's transcript because that student owes money to the institution. The University **opposed** the bill. The bill was sponsored by Attorney General Xavier Becerra. SGR worked closely with the Association of Independent California Colleges and Universities (AICCU) to recommend amendments to the author, but they were rejected by the author and the sponsor of the bill. SGR testified in opposition to the measure in policy committees and engaged with fiscal committees, as well as the Governor's administration, to stress the fiscal impacts the bill would have on UC campuses. Despite the efforts of UC and other higher education partners, the Governor signed the bill on October 4, 2019 (Chapter 518).

AB 1518 (Chu) authorizes 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. SGR worked with the Assembly Committee on Arts, Entertainment, Sports, Tourism and Internet Media to draft amendments to the bill that would add additional layers of protections for student athletes at UC. The University **supported** the bill and the Governor signed the bill on September 4, 2019 (Chapter 222).

AB 1774 (Bonta) authorizes the Student Aid Commission to postpone an application deadline up to 30 calendar days for any financial aid program it administers. This bill was in response to the 2017 and 2018 fires that prevented many high school students from completing the FAFSA. SGR worked closely with the author's office, UC Student Financial Support, and others at UCOP to make sure that this would not impact disbursement timelines. The University **supported** the bill and requested the Governor's signature. The Governor signed the bill on October 4, 2019 (Chapter 524).

ACA 5 (Quirk-Silva) amends the California Constitution to prohibit the appointment of members of the UC Regents appointed to the board before March 4, 2020, to additional terms after that date. The measure requires Regents appointed on and after March 4, 2020 to serve 4-year terms, with the exception of five positions on the board that would be filled, through appointments by the Governor, faculty, students, and classified employees of the University for 2-year terms. The measure provides that the UC President would be a nonvoting, rather than a voting, ex officio member, and that an appropriation for UCOP be made only pursuant to an item in the annual budget bill relating solely to that office. The measure also requires that compensation for non-faculty in excess of \$200,000 be approved by a public vote of the Regents, and "compensation" would include salary, retirement, and other benefits. The University did not take a position on the measure, which is pending referral to a policy committee.

ACA 14 (Gonzalez) amends the California Constitution to prohibit UC from entering into contracts for a broad array of support and clinical services that are defined in the measure. The University **opposed** the measure, and it remains in the Senate as a two-year measure.

SB 24 (Leyva) requires each student health care services clinic on a UC or CSU campus to offer abortion by medication techniques, and requires the California Commission on the Status of Women and Girls to disburse initial private funding to the campuses of the UC and CSU systems. The University did not take a position on the bill. The Governor signed the bill on October 11, 2019 (Chapter 740).

SB 206 (Skinner) enacts the Fair Pay to Play Act, which allows student athletes at the UC 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 **opposed** the bill and requested the Governor's veto. The Governor signed the bill on September 30, 2019 (Chapter 383).

SB 316 (Rubio) requires student ID cards at high schools, colleges and universities to have printed on the identification cards the telephone number for the National Domestic Violence

Hotline or a local domestic violence hotline. The University **supported** the bill after amendments were taken to address its concerns, and requested the Governor's signature. The Governor signed the bill on September 6, 2019 (Chapter 270).

SB 354 (Durazo) expands California DREAM loan eligibility to a student who is enrolled in a professional or graduate degree program, including, but not limited to, a teaching credential, if the student meets other applicable qualifications. SGR worked with the author's office to seek clarifying and technical amendments. The University **supported** the bill and requested the Governor's signature. The Governor signed the bill on October 4, 2019 (Chapter 526).

SB 425 (Hill) requires 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 **supported** the bill and requested the Governor's signature. The Governor signed the bill on October 12, 2019 (Chapter 849).

SB 493 (Jackson) requires a postsecondary institution that receives state funds to comply with various requirements pertaining to student sexual harassment protections and to provide students with procedural protections relating claims of sexual harassment. The University took an **oppose unless amended** position on the bill, and the author adopted amendments that largely addressed the University's concerns. The bill remains in the Assembly Appropriations Committee as a two-year bill. SGR will actively engage on the bill during the fall, and expects it to progress in 2020.

SB 698 (Leyva) requires UC employees to be paid on a regular payday and makes the University subject to an existing claims process through the California Labor Commissioner whereby fines and penalties may be levied upon an employer in cases of late or incorrect payroll to employees. The University **opposed** the bill and met with the Governor's administration to discuss UC's opposition and provide information. The Governor signed the bill on October 3, 2019 (Chapter 508).

Other Key Bills Followed Closely by UC

AB 5 (Gonzalez) codifies the Dynamex decision, requiring that employers prove their workers meet a three-part test to be lawfully classified as independent contractors, and states that exemptions in the bill for specified health care occupations shall not apply to facilities owned or operated by the State or the UC. The University did not take a position on the bill. The Governor signed the bill on September 18, 2019 (Chapter 296).

AB 13 (Eggman, Grayson & Weber) enacts the Higher Education Facilities Bond Act of 2020 to authorize \$7 billion for construction and remodeling of UC, UC Hastings, and CSU facilities. The University did not take a position on the bill. The bill remains in the Assembly Higher Education Committee as a two-year bill.

AB 74 (Ting) is the Budget Act of 2019. The bill includes \$3.888 billion for UC, including \$3.547 billion for the general allocation and \$340 million for UCOP, UC Path, and ANR. The 2019-20 allocation for UC includes \$197.6 million in ongoing funding above the 2018-19 level and \$215 million in one-time funding. The University did not take a position on the bill. The Governor signed the bill on June 27, 2019 (Chapter 23).

AB 130 (Low & Eggman) establishes the Higher Education Performance and Accountability Commission, composed of five public members with experience in postsecondary education, and would have required the commission to develop an independent annual report on the condition of higher education in California. SGR positioned itself to be supportive of the Governor's Council on Post-Secondary Education and did not take a position on the bill. The Governor vetoed the bill on October 8, 2019.

AB 366 (Bloom) prohibits a person from engaging in the production of canine blood and blood component products or biologics for retail sale and distribution unless that person is licensed as a canine blood bank by the Secretary of Food and Agriculture, among other specified requirements, including the requirement that the operations are performed under the direct supervision of a licensed veterinarian or board-certified specialist. The University did not take a position on the bill. The bill remains in the Assembly Agriculture Committee as a two-year bill.

AB 420 (Lackey) expands the purpose and authorizations for the Center for Medicinal Cannabis Research (CMCR). Specifically, the bill expands the purview of the program to include the study of natural or synthetic compounds occurring in cannabis and to conduct studies to examine the effects of cannabis, cannabinoids, and related constituents on behavioral health outcomes. The bill further authorizes controlled clinical trials to focus on testing methods and clarifies what sources of funds or products are permissible pursuant to state and federal law. SGR drafted significant amendments to the bill and worked closely with UC San Diego (where the CMCR is located) to ensure the University's fiscal, liability and operational concerns were addressed. The University did not take a formal position on the bill. The Governor signed the bill on October 12, 2019 (Chapter 802).

AB 456 (Chiu) extends a relatively new claim resolution process for payment disputes on contracts entered into after January 1, 2017. The bill, as introduced, caused concern for the University, as it would have made the new claim process permanent. The University worked with the author, sponsor, and Governor's administration to seek a 10-year extension of the program instead. The University did not take a formal position on the bill. The bill was signed by the Governor on October 3, 2019 (Chapter 489).

AB 476 (B. Rubio) establishes a task force within the Department of Consumer Affairs to study and write a report on the licensing of foreign-trained professionals. The bill requires the task force to hold public meetings (subject to the Bagley-Keene Open Meeting Act) at least once a quarter. The task force includes, among others, a member appointed by the UC President. The University did not take a position on the bill, but requested amendments, which the author accepted. The bill was vetoed by the Governor on October 12, 2019.

AB 516 (Chiu) deletes the authority of a peace officer or public employee to remove or immobilize a vehicle that is known to have been issued five or more notices of parking violations that are delinquent because the owner or person in control of the vehicle has not responded to the appropriate agency within a designated time period. The University did not take a position on the bill. The bill was held in the Senate Appropriations Committee as a two-year bill.

AB 521 (Berman) requires the UC Firearm Violence Research Center to develop multifaceted education and training programs for medical and mental health providers on the prevention of

firearm-related injury and death. The University did not take a position on the bill. The Governor signed the bill on October 11, 2019 (Chapter 728).

AB 697 (Ting) requires CSU, UC, and Cal Grant qualifying independent institutions of higher education to report to budget subcommittees and policy committees of the Legislature whether its institution provides any manner of preferential treatment in admission to applicants on the basis of their relationships to donors or alumni, and if so to report specified admissions and enrollment information regarding these applicants for the previous academic year. The University did not take a position on the bill. The Governor signed the bill on October 4, 2019 (Chapter 514).

AB 710 (Cervantes) establishes the Housing Cost of Attendance Act and requires an institution in the CCC, CSU, or the UC systems and an independent and private postsecondary institution to use the specified items in its calculation of a full-time student's cost of attendance. The University did not take a position, but had major concerns with the legislation and worked with other higher education segments to seek amendments, but they were rejected by the author's office. SGR met with members of the Governor's administration to explain the unintended consequences the legislation may have. The Governor vetoed the bill on September 27, 2019.

AB 751 (O'Donnell) requires the Superintendent of Public Instruction to approve a nationally recognized high school assessment that a local educational agency, may, at its own discretion, administer, if the alternative assessment is approved by the local educational agency's governing board or body in a public meeting, commencing with the 2021-22 school year, and each school year thereafter, in lieu of the consortium summative assessment in English language arts and mathematics for grade 11. The University did not take a position on the bill. The Governor vetoed the bill on October 12, 2019.

AB 829 (Bloom) authorizes CSU to establish Occupational Therapy Doctorate degree programs to focus on preparing occupational therapists to provide health care services. The University did not take a position on the bill. The bill was signed by the Governor on August 30, 2019 (Chapter 183).

AB 889 (Maienschein) defines "animal" as any live vertebrate nonhuman animal used for diagnostic purposes, education or research. The University did not take a position on the bill. The bill remains in the Assembly Health Committee as a two-year bill.

AB 890 (Wood) authorizes a nurse practitioner who holds a certification from a national certifying body recognized by the Board of Registered Nursing who practices in certain settings to perform specified functions without supervision by a physician and surgeon, including ordering and interpreting diagnostic procedures, certifying disability and prescribing, administering, dispensing and administering controlled substances. The University did not take a position on the bill. The bill remains in the Assembly Health Committee as a two-year bill.

AB 951 (Cervantes) appropriates an unspecified sum of money from the General Fund to UC to be expended only for the creation, construction and establishment of a public law school in the County of Riverside administered by UC. The University did not take a position on the bill. The bill remains in the Assembly Higher Education Committee as a two-year bill.

AB 1090 (Medina) requires CCC and CSU and requests 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 contracted 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 did not take a position on the bill. The Governor signed the bill on October 4, 2019 (Chapter 516).

AB 1383 (McCarty) prohibits CSU and, if adopted by the Regents, UC from admitting an applicant through admission by exception, unless approved prior to the student's enrollment by at least 3 senior campus administrators, or the applicant is a California resident receiving an institution-based scholarship or is accepted by an educational opportunity program. SGR worked with the author's office to seek amendments that clarified its intent and limited the impact of the bill to a specific area of admissions. The University did not take a position on the bill. The Governor signed the bill on October 4, 2019 (Chapter 522).

AB 1573 (Holden) updates the Student Athlete Bill of Rights to establish a degree completion fund, requires notices detailing student athletes' rights and contact information for filing complaints, and prohibits retaliating against a student athlete, as specified. The bill does not restrict an institution's authority to impose interim measures or permanent consequences on a student athlete who has been accused of sexual harassment or violence. This bill is a reintroduction of AB 2747 (Holden) from last session, where SGR worked with the Assemblymember's office to seek amendments that alleviated our concerns around the retaliation clause. The University did not take a position on the bill. The Governor signed the bill on September 30, 2019 (Chapter 382).

AB 1606 (Gray) disallows a specified tax deduction and requires the State Controller to transfer from the General Fund to the UCSF San Joaquin Valley Regional Campus Medical Education Endowment Fund an amount equal to the annual estimate of the revenues derived from the disallowance of the deduction until the amount of \$500 million has been reached in the fund. The University did not take a position on the bill. The bill remains in the Assembly as a two-year bill.

AB 1611 (Chiu) limits patient cost-sharing for covered emergency services at an out-of-contract hospital to no more than the same cost-sharing that the patient would pay for the same covered emergency services received from a contracting hospital. The bill establishes as the rate of payment for those services either the reasonable and customary value of the hospital services or the average contracted rate for the same or similar hospital services in the general geographic region in which the services were rendered. The University did not take a position on the bill. The bill remains in the Senate Health Committee as a two-year bill.

AB 1620 (Santiago) expands the eligibility for exemption from paying nonresident tuition at California's public postsecondary educational institutions, as established for undocumented students under AB 540 (Firebaugh, 2001) and subsequent legislation. The University did not take a position on the bill. The bill remains in the Assembly Appropriations Committee as a two-year bill.

AB 1645 (Rubio) requires 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 did not take a position on the bill. The Governor signed the bill on October 12, 2019 (Chaptered 788).

AB 1662 (Ramos) requires the UC NAGPRA Committee to include 3 voting members from a tribe located in California that is an Indian tribe under the federal Native American Graves Protection and Repatriation Act. The University did not take a position on the bill. The bill was signed by the Governor on July 12, 2019 (Chapter 112).

AB 1703 (Bloom) requires UCLA, CSU Dominguez Hills, and selected CSU campuses serving the Los Angeles Basin to form a neurodiversity and learning collaborative to identify and develop the links between brain research and classroom practice. The University did not take a position on the bill. The bill remains in the Senate Education Committee as a two-year bill.

AB 1740 (Medina) appropriates \$80 million to UC from the General Fund for the 2020-21 fiscal year to be expended solely on the construction of a new UC Riverside School of Medicine facility, and an additional \$25 million from the General Fund each fiscal year, commencing with the 2020-21 fiscal year, to be expended solely on ongoing operational support for the expansion of the UC Riverside School of Medicine. The University did not take a position on the bill. The bill was held in the Assembly Appropriations Committee as a two-year bill.

ACR 64 (McCarty) requests UC and CSU to conduct a study on the usefulness, effectiveness, and need for the SAT and ACT, and provides that the study include evaluation of specified admissions eligibility and qualifications measures and testing issues, and include recommendations and, if determined necessary, a plan for phasing out the use of the SAT and ACT as a basis for admission. The University did not take a position on the resolution. The measure was adopted on September 5, 2019 (Chapter 149).

HR 22 (Gallagher) urges the UC Davis Chancellor, UC President, and the UC Regents to remove a specified UC Davis professor from the classroom and terminate his employment at the University. The University did not take a position on the resolution. The resolution remains in the Assembly Higher Education Committee as a two-year measure.

SB 2 (Glazer, Allen & Wilk) expresses legislative intent to establish the Statewide Longitudinal Student Database on students matriculating from preschool through entry into the workforce, and requires the establishment of a new Office of Higher Education Coordination, Accountability, and Performance advisory committee of education stakeholders and experts, including a UC member. The University did not take a position on the bill. The bill remains in the Assembly Education Committee as a two-year bill.

SB 3 (Allen & Glazer) establishes the Office of Higher Education Coordination, Accountability, and Performance (CPEC 2.0). The University did not take a position on the bill. The bill was held in the Assembly Appropriations Committee as a two-year bill.

SB 56 (Roth) requires UC to construct a new UC Riverside School of Medicine facility upon receipt of an appropriation by the Legislature in the Budget Act or another statute for that purpose. The University did not take a position on the bill. The bill remains in the Assembly Higher Education Committee as a two-year bill.

SB 75 (Senate Budget & Fiscal Review Committee) is the education omnibus budget trailer bill. The bill contains language establishing a working group to develop a longitudinal data system. The Governor signed the bill on July 1, 2019 (Chapter 51).

SB 77 (Senate Budget & Fiscal Review Committee) is the higher education budget trailer bill. The bill allows the UC to use institutional funds to provide scholarships for California students who meet the UC's definition of a California resident. The Governor signed the bill on July 1, 2019 (Chapter 53).

SB 78 (Senate Budget & Fiscal Review Committee) is the health budget trailer bill. The bill contains language establishing a working group to examine pharmacy fee-for-service. The Governor signed the bill on June 27, 2019 (Chapter 38).

SB 83 (Senate Budget & Fiscal Review Committee) is the employment budget trailer bill. The bill contains reporting language on total compensation and hours worked of contracted janitorial employees. It also contains reporting language on the sexual violence and harassment prevention training provided to contracted and in-house janitorial employees. The Governor signed the bill on June 27, 2019 (Chapter 24).

SB 106 (Senate Budget & Fiscal Review Committee) makes changes to the 2019 Budget. The bill contains the University's \$49.9 million in new enrollment funding. The Governor signed the bill on July 1, 2019 (Chapter 55).

SB 109 (Senate Budget & Fiscal Review Committee) amends items of appropriation in the Budget Act of 2019 budget bill (AB 74), including \$3.597 billion for UC. The Governor signed the bill on September 27, 2019 (Chapter 363).

SB 227 (Leyva) requires periodic inspections of general acute care, acute psychiatric and special hospitals by the Department of Public Health to determine compliance with nurse staffing ratios, and assesses a penalty of \$15,000 for the first violation and \$30,000 for each subsequent violation. The University did not take a position on the bill. The Governor signed the bill on October 12, 2019 (Chapter 843).

SB 253 (Dodd) establishes a new Environmental Farming Incentive Program, incorporating conservation of natural resources and ecosystem services practices into agricultural programs. The bill, sponsored by the Resource Conservation Districts of California, limited UC ANR programs from providing technical assistance to farmers. The University drafted amendments that were accepted by the author in August. The University did not take a position on the measure. The bill remains in the Assembly Appropriations Committee as a two-year bill.

SB 449 (McGuire) extends the Pierce's Disease Control Program to March 1, 2026. The bill had originally sought to prohibit UC from collecting indirect cost recovery (IDC) on research with the Secretary of Food and Agriculture. The IDC language of concern to UC was deleted from the bill at UC's request on August 12, effectively removing UC's concerns. The University did not take a position on the bill. The Governor signed the bill on September 27, 2019 (Chapter 371).

SB 468 (Jackson) requires the University to perform a comprehensive assessment of specified major tax expenditures to be presented to a newly-created Tax Expenditure Review Board by July 1, 2021 at a public hearing. The University negotiated amendments with the author to

narrow the scope and functions of the University and ensured our researchers were interested and available to conduct the assessment. The bill was vetoed by the Governor on October 11, 2019.

SB 715 (Galgiani) prohibits UC from contracting for services with an asset manager for a defined contribution plan if that plan is a stand-alone optional plan that is not a complement to a defined benefit pension plan. The University **opposed** the bill and it failed to get out of the Senate Education Committee. It is a two-year bill.

SB 728 (Galgiani) establishes the Student Housing and Food Hardship Fund and program to provide emergency assistance to public postsecondary educational institution students who are experiencing housing or food hardships. The University did not take a position on the bill. The bill remains in the Assembly Appropriations Committee as a two-year bill.