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August 14, 2012

The Honorable Christine Kehoe
Chair – Senate Committee on Appropriations
State Capitol, Room 5050
Sacramento, CA 95814

Re: AB 2442 (Williams), as Amended June 27th, 2012
Scheduled for hearing in the Senate Appropriations Committee on August 16, 2012
Position: SUPPORT

Dear Chairwoman Kehoe:

The University of California (UC) would like to express our support for AB 2442 (Williams), and urge the Committee to approve this measure when the Suspense File is taken up later this week. This measure would establish the California Hope Public Trust (Trust) for the purposes of managing the state's real estate assets with the goal of generating additional revenues that could be made available to California's public institutions of higher education.

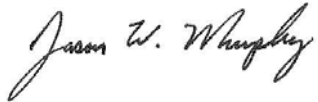
Like so many other vital state programs that rely on the state General Fund for core support, California's institutions of public higher education have faced numerous fiscal challenges over the past few years. Within the University of California, our state funding has been reduced by nearly \$1 billion since 2007-2008 – with our costs having risen by \$1.22 billion over that same period. At this point in time, it's unclear whether the 2013-2014 budget will provide UC with the opportunity to achieve the budget stability it so desperately requires.

In light of these fiscal challenges, UC is pleased to support efforts to develop new and innovative ways to fund public higher education – and AB 2442 in particular. UC appreciates Assembly-member William's recognition of the dire circumstances currently facing our students and our campuses, and the willingness to be entrepreneurial with regard to proposed solutions. Of course, to expect that the Trust established by AB 2442 will generate sufficient revenue to backfill the cumulative cuts to public higher education is unreasonable and unfair. The measure does, however, focus and underscore the need within our institutions for renewed investment and state support – and for that reason alone, the UC is supportive of this bill.

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Thank you for your consideration of the University's views. Should you have any questions regarding the University's position on AB 2442 (Williams), please do not hesitate to contact me at (916) 445-5584.

Sincerely,

A handwritten signature in black ink that reads "Jason W. Murphy". The signature is written in a cursive, flowing style.

Jason Murphy
Legislative Director

cc: Assemblymember Das G. Williams
Members, Senate Appropriations Committee
President Mark G. Yudof
Provost & Executive Vice President Aimée Dorr
Executive Vice President Nathan Brostrom
Senior Vice President Daniel M. Dooley
Associate Vice President and Director Steve Juarez