PRESENTED TO THE BOARD OF GOVERNORS
DATE: May 6-7, 2013

SUBJECT: Board of Governors to Sponsor Legislation

CATEGOR Y: Government Relations

Recommended By: Michael Magee, Interim Vice Chancellor

Approved for Consideration: Brice W. Harris, Chancellor

ITEM NUMBER: 2.6

ATTACHMENT: Yes

TYPE OF BOARD CONSIDERATION:
Consent/Routine
First Reading

ACTION
X

BACKGROUND: The Board of Governors Standing Order 317 describes the process to take positions on legislation. This Standing Order was revised in 2007 to delegate authority to the Chancellor for bill positions. However, the Board of Governors retained authority to take positions on statewide initiatives and to sponsor legislation.

RECOMMENDED ACTION: It is recommended that the Board of Governors vote to become sponsors of Assembly Bill 1100 (Levine) and Senate Bill 576 (Block).

ISSUE: The Board of Governors will be asked to take action to sponsor Assembly Bill 1100 (Levine) California Teleconnect Fund, and Senate Bill 576 (Block) Commission on Teacher Credentialing.
ANALYSIS: In 2012 we began the process to develop the 2013 State Legislative Program. During most years the Board is presented legislative proposals to recommend for bill sponsorship at the January Board meeting. However, at the January 2013 Board meeting, there were no legislative proposals recommended for sponsorship. Following the Board meeting, proposals were developed to request the Board of Governors join as cosponsors, or sponsors of two bills already introduced.

Assembly Bill 1100 by Assemblymember Marc Levine amends the Public Utilities Code to remove a regulatory cap limiting community colleges’ access to the California Teleconnect Fund. This fund provides a discount on communication services for community colleges, K-12 schools, and community based non-profit organizations (e.g., libraries and hospitals). When community colleges were added to the California Teleconnect Fund in 2008, concerns were raised by K-12 districts and community based organizations that the colleges might draw down too much of the funding. As a result of these concerns, the Public Utilities Commission placed a regulatory cap on community college reimbursements. While we are seeking to remove the cap through the regulatory process, legislation may be needed to make statutory changes.

Senate Bill 576 by Senator Marty Block requires the Board of Governors to appoint an ex officio member to the Commission on Teacher Credentialing. The Commission on Teacher Credentialing is proposing to have a seat on the Commission for community colleges. Our seat replaces the one formerly held by the now defunct California Postsecondary Education Commission. The Commission invited the Chancellor's Office to sponsor the measure because community colleges play a significant role in preparing students to enter the teacher pipeline and preparing students for child development credentials that are awarded by the Commission.
Standing Order 54 - Statement of Legislative Principles

The Board shall adopt and periodically review a Statement of Legislative Principles which shall provide the basic parameters guiding the Chancellor in taking positions on matters pending before the Legislature, the Governor, the Congress, and the President pursuant to section 317.

Standing Order 317 - Positions on State Legislation

The Chancellor is authorized to take positions on pending legislation on behalf of the Board of Governors as set forth in this section.

(a) The Board’s Statement of Legislative Principles shall guide the Chancellor.

(b) Before exercising the delegated authority granted by this section, the Chancellor shall obtain the approval of the President of the Board of Governors and the Chair of the Board Committee on Legislation.

(c) The Chancellor shall be required to seek the advice of the Consultation Council or obtain approval of the Board of Governors unless a bill (or an amendment):
   (1) Affects agency operations but is not otherwise relevant to system policy; or
   (2) Is determined by the Chancellor to be similar to a prior bill on which a position has been taken; or
   (3) Time restraints make it unfeasible; or
   (4) The bill is consistent with existing Board policies. The Chancellor shall provide the Consultation Council a statement explaining why the position is consistent and schedule the item for the next Consultation Council meeting.

(d) For any relevant bill or amendment to a bill that does not meet the criteria described in section (c), the Chancellor shall prepare an analysis, seek the advice of the Consultation Council, and recommend to the Board a position on the bill.

(e) The Chancellor shall promptly inform the Board of Governors and the Consultation Council of any positions taken. Any positions taken will be reported in an Agenda item at the next Board of Governors meeting.

(f) The Chancellor shall provide for regular review and evaluation of this section. The review and evaluation shall be conducted through the Consultation process, and may be incorporated into the periodic evaluation of the Consultation process pursuant to section 342. The results and any recommendations from the evaluation shall be reported to the Board.
2013 LEGISLATIVE PROPOSAL
Assembly Bill 1100 (LEVINE)
CALIFORNIA TELECONNECT FUND: REMOVING CAP ON
CALIFORNIA COMMUNITY COLLEGES REIMBURSEMENT

Current law: The California Teleconnect Fund was established in 1996 to provide a 50 percent discount on communication services to K-12 schools and other community based non-profit organizations such as libraries and hospitals. The program is funded through a surcharge on phones, etc. In 2008, Senator Padilla authored education technology legislation, Senate Bill 1437, which, among other things, provided that community colleges be included in this discount. Community Based Organizations) providing “211” Information and Referral Services and the California Telehealth Network were also added to the California Teleconnect Fund at that time. Other reimbursable parties that already had access to the funds, expressed concern that California Community Colleges might “draw down” too much of the funding by being added to the program. To address these concerns, we agreed to have California Community Colleges reimbursements capped by the Public Utilities Commission through their regulatory authority. However, a similar limit was not placed on the other parties added in 2008.

Background: The Public Utilities Commission is performing a periodic review of the California Teleconnect Fund program starting this year. Although community colleges have never reached our cap, the Corporation for Education Network Initiatives in California has suggested that with the upcoming Commission review, this would be a good time to lift the cap through legislation to prepare for the future. There appears to be adequate funding in the California Teleconnect Fund to accommodate all reimbursements. There is about $100 million in the “pot” annually, and our cap is around $10 million, and we have always been a few million dollars below our cap. We currently have 92 of our 112 campuses seek reimbursements.

Proposal: The legislation would amend Section 280 of the Public Utilities Commission Code to state that California Community Colleges would not have an annual limit in the California Teleconnect Funds.

Arguments for: This is a good time to lift the cap for two reasons: 1) The Commission is performing a periodic review of the California Teleconnect Fund and a statutory change would ensure the elimination of the cap; and 2) As distance and online education efforts increase at community colleges, we should eliminate concerns about restricting telecommunications services and growth to campuses because of a reimbursement cap that is not necessary.
**Arguments against:** The Utility Reform Network, a consumer advocacy group, and the Public Utilities Commission stated their opposition to Assembly Bill 1100 prior to the April 15, 2013 policy committee hearing. Both the Utility Reform Network and the Public Utilities Commission raised concerns about prejudging the outcome of the regulatory process, and the potential that lifting the cap on community colleges would disable the Public Utilities Commission’s ability to control costs and manage the program without further raising the surcharge that funds the California Teleconnect Funds.

**Update:** Prior to the April 15, 2013 hearing, staff from the Chancellor’s Office and Corporation for Education Network Initiatives in California worked with Public Utilities Commission staff to amend the bill language to ensure that community colleges are treated fairly within the California Teleconnect Fund, removing the Public Utilities Commission’s opposition. Assembly Bill 1100 passed on a vote of 13-1 in the Assembly Committee on Utilities and Commerce. The Utility Reform Network stated that they needed time to consider the amendments, which may remove their opposition.
Current law: The Commission on Teacher Credentialing serves as a state standards board for educator preparation for the public schools of California. The Commission awards credentials for professional educators in the State and enforces professional practices for educators, and credential holders. Representatives from the California State University system, the University of California system and the Association of Independent California Colleges and Universities serve as ex-officio members.

The current ex-officio members include:
- University of California: Tine Slone, Acting Director of the Teacher Education Program at UC Santa Barbara
- California State University: Dr. Beverly Young, Assistant Vice Chancellor, Academic Affairs, Teacher Education and Public School Programs for the California State University System
- Association of Independent California Colleges and Universities: Shane P. Martin, Dean of the Loyola Marymount University School of Education

The 15 voting members of the Commission include:
- The Superintendent or his or her designee
- Six practicing teachers from public elementary and secondary schools in California
- One person who is employed on the basis of a services credential other than an administrative services credential
- One member of a school district governing board
- Four representatives of the public
- One school administrator in a public elementary or secondary school in California
- One faculty member from a college or university that grants baccalaureate degrees

Background: The Commission on Teacher Credentialing currently has a representative from the California Postsecondary Commission as an ex-officio member. The California Postsecondary Education Commission ceased operation in 2011 and the California Community Colleges are now the only higher education segment without representation. Community colleges play an integral role in preparing teachers with fifty community colleges having articulation agreements for teacher preparation pipeline programs with their counterparts in the CSU, UC or Association of Independent California Colleges and Universities systems. Community colleges also offer programs in child development and administration and other related areas for child development credentials. Four of the five child development credentials can be obtained with an associate’s degree or less and these credentials make up 20 percent of all credentials issued by the Commission on Teacher Credentialing.
Proposal: Senate Bill 576 will remove the California Postsecondary Education Commission representative and replace it with a representative from the California Community Colleges, appointed by the Board of Governors. Senate Bill 576 is sponsored by the Commission on Teacher Credentialing, and they are requesting that the Board of Governors join as cosponsors.

Arguments for: Community college representation on the Commission would be appropriate given our role in the teacher preparation pipeline and our programs for students in child development programs. Our participation on the Commission is not expected to disrupt our current workload.

Arguments against: This adds an additional task to the Chancellor's Office’s workload where community colleges have a limited role.

Update: Senate Bill 576 (Block) is scheduled to be heard on April 24, in the Senate Education Committee and is expected to be on the consent calendar.