

**Introduced by Senator Yee  
(Principal coauthors: Senators Maldonado and Romero)**

February 7, 2007

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An act to amend Sections 92020 and 92032 of, and to add Sections 66602.5 and 66602.7 to, the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 190, as introduced, Yee. Public postsecondary education: California State University: University of California: discussion of executive compensation.

(1) Existing law establishes the Trustees of the California State University, and provides for the administration of the university by that body. Under existing law, the membership of the trustees includes 16 members appointed by the Governor and 5 ex officio members, who are the Governor, the Lieutenant Governor, the Superintendent of Public Instruction, the Speaker of the Assembly, and the person named by the trustees to serve as the Chancellor of the California State University.

Existing law, the Bagley-Keene Act, generally requires, with specified exceptions for authorized closed sessions, that the meetings of state bodies be open and public and that all persons be permitted to attend. The Bagley-Keene Act also generally requires that the agenda for meetings provide an opportunity for members of the public to directly address the body of any item of interest to the public that is within the subject matter jurisdiction of the body. Each member of a state body who attends a meeting of that body in violation of any provision of the Bagley-Keene Act, and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under the act, is guilty of a misdemeanor.

This bill would require all meetings of the trustees to be subject to the Bagley-Keene Act, except as provided in the bill. By extending the provisions of the Bagley-Keene Act to cover the meetings of the trustees, the bill would constitute a state-mandated local program by creating a new crime.

The bill would generally authorize the trustees, as defined, to mean the board of trustees and its standing and special committees or subcommittees and advisory groups that include one or more trustees, other than ex officio members of the trustees, as members and that have continuing subject matter jurisdiction in the areas of compensation, benefits, pensions, or working conditions, or that have a regular meeting schedule, other than groups of 3 or fewer trustees appointed to advise and assist the university administration in contract negotiations, to conduct closed sessions when they meet to consider or discuss specified matters, including matters concerning the appointment, employment, performance, compensation, or dismissal of certain university officers or employees.

The bill would also require discussion of, and action on, an executive compensation proposal concerning the Chancellor of the California State University, the president of an individual campus, specified vice chancellors, the treasurer, the assistant treasurer, the general counsel, or the trustees' secretary to occur in an open session of the appropriate committee of the trustees, and would require any final discussion or action on that proposal to take place in an open session of the full board of trustees.

(2) Existing law establishes the Regents of the University of California, and provides for the administration of the university by that body. Under existing law, the membership of the regents includes 18 members appointed by the Governor and 7 ex officio members, who are the Governor, the Lieutenant Governor, the Speaker of the Assembly, the Superintendent of Public Instruction, the president and vice president of the alumni association of the university, and the acting president of the university. Under existing law, meetings of the regents are subject to the Bagley-Keene Act, except as otherwise prescribed in provisions specifically applicable to the regents.

Existing law generally authorizes the regents, as defined, to mean the board of regents and its standing and special committees or subcommittees, other than groups of 3 or fewer regents appointed to advise and assist the university administration in contract negotiations, to conduct closed sessions when they meet to consider or discuss

specified matters, including matters concerning the appointment, employment, performance, compensation, or dismissal of certain university officers or employees. Existing law requires action by the regents on compensation proposals for the principal officers of the regents and the officers of the university, as defined, to be in open session.

This bill would provide that the definition of the regents for these purposes would include advisory groups that include one or more regents, other than the ex officio members of the regents, as members and that have continuing subject matter jurisdiction in the areas of compensation, benefits, pensions, or working conditions, or that have a regular meeting schedule, except as specified. The bill would also require discussion of, and action on, an executive compensation proposal concerning the President of the University of California, the chancellor of an individual campus, specified vice presidents, the treasurer, the assistant treasurer, the general counsel, or the secretary to occur in an open session of the appropriate committee of the regents, and would require any final discussion or action on that proposal to take place in an open session of the full board of regents.

The bill would express findings and declarations of the Legislature to the effect that this bill sets forth the policies with respect to the discussion of compensation of executive officers of the university that have applied to, and governed, all regents meetings held since 1993.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 66602.5 is added to the Education Code,  
2 to read:

3 66602.5. (a) All meetings of the trustees shall, except as  
4 otherwise provided in this section or in Section 66602.7, be subject  
5 to Article 9 (commencing with Section 11120) of Chapter 1 of  
6 Part 1 of Division 3 of Title 2 of the Government Code.

7 (b) As used in this article, “trustees” means any of the following:

1 (1) The Board of Trustees of the California State University.

2 (2) The standing and special committees or subcommittees of  
3 the trustees.

4 (3) Advisory groups that include one or more trustees, other  
5 than the ex officio members of the trustees, as members and that  
6 have continuing subject matter jurisdiction in the areas of  
7 compensation, benefits, pensions, or working conditions, or that  
8 have a regular meeting schedule.

9 (c) As used in this article, “trustees” does not include groups  
10 of three or fewer trustees appointed to advise and assist the  
11 university administration in contract negotiations.

12 SEC. 2. Section 66602.7 is added to the Education Code, to  
13 read:

14 66602.7. Notwithstanding Article 9 (commencing with Section  
15 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the  
16 Government Code:

17 (a) The trustees, as occasioned by necessity, may hold special  
18 meetings. The trustees shall give public notice for these meetings.  
19 This notice shall be given by means of a notice hand delivered or  
20 mailed to each newspaper of general circulation and television or  
21 radio station that has requested notice in writing, so that the notice  
22 may be published or broadcast at least 72 hours before the time of  
23 the meeting. The notice shall specify the time, place, and agenda  
24 of the special meeting. The trustees shall not consider any business  
25 not included in the agenda portion of the notice. Failure to comply  
26 with this subdivision shall not be excused by the fact that no action  
27 was taken at the special meeting.

28 (b) The trustees may conduct closed sessions when they meet  
29 to consider or discuss any of the following matters:

- 30 (1) Matters affecting national security.
- 31 (2) The conferring of honorary degrees or other honors or  
32 commemorations.
- 33 (3) Matters involving gifts, devises, and bequests.
- 34 (4) Matters involving the purchase or sale of investments for  
35 endowment and pension funds.
- 36 (5) Matters involving litigation, when discussion in open session  
37 concerning those matters would adversely affect, or be detrimental  
38 to, the public interest.
- 39 (6) The acquisition or disposition of property, if discussion of  
40 these matters in open session could adversely affect the regents’

1 ability to acquire or dispose of the property on the terms and  
2 conditions they deem to be in the best public interest.

3 (7) (A) Matters concerning the appointment, employment,  
4 performance, compensation, or dismissal of university officers or  
5 employees, excluding individual trustees other than the chancellor  
6 of the university.

7 (B) Discussion of, and action on, an executive compensation  
8 proposal concerning any of the following shall occur in an open  
9 session of the appropriate committee of the trustees, and any final  
10 discussion of, or action on, that proposal shall occur in an open  
11 session of the full board of trustees:

12 (i) The Chancellor of the California State University.

13 (ii) The president of an individual campus.

14 (iii) A vice chancellor of academic affairs, administration,  
15 agriculture, budget, business affairs, health, or human resources.

16 (iv) The treasurer or the assistant treasurer.

17 (v) The general counsel.

18 (vi) The trustees' secretary.

19 (C) Compensation for the principal officers of the trustees and  
20 the officers of the university shall include salary, benefits,  
21 perquisites, severance payments (except those made in connection  
22 with a dismissal or a litigation settlement), retirement benefits, or  
23 any other form of compensation.

24 (8) Matters relating to complaints or charges brought against  
25 university officers or employees, excluding individual trustees  
26 other than the chancellor of the university, unless the officer or  
27 employee requests a public hearing.

28 (c) While a witness is being examined during any open or closed  
29 session, any or all other witnesses in the investigation may be  
30 excluded from the proceedings by the trustees.

31 (d) The nominating committee of the trustees may conduct  
32 closed sessions held for the purpose of proposing officers of the  
33 board and members of the board's various committees.

34 (e) The trustees shall not be required to give public notice of  
35 meetings of special search or selection committees held for the  
36 purpose of conducting interviews for university officer positions.

37 SEC. 3. Section 92020 of the Education Code is amended to  
38 read:

39 92020. (a) As used in this article, "Regents of the University  
40 of California" means ~~the~~ *any of the following*:

1 (1) *The Board of Regents of the University of California* ~~and~~  
2 *its.*

3 (2) *The standing and special committees or subcommittees;*  
4 ~~other than groups of not more than three of the Board of Regents.~~

5 (3) *Advisory groups that include one or more regents, other*  
6 *than the ex officio members of the regents, as members and that*  
7 *have continuing subject matter jurisdiction in the areas of*  
8 *compensation, benefits, pensions, or working conditions, or that*  
9 *have a regular meeting schedule.*

10 (b) *As used in this article, “Regents of the University of*  
11 *California” does not include groups of three or fewer regents*  
12 *appointed to advise and assist the university administration in*  
13 *contract negotiations.*

14 SEC. 4. Section 92032 of the Education Code is amended to  
15 read:

16 92032. Notwithstanding ~~any provision of~~ Article 9  
17 (commencing with Section 11120) of Chapter 1 of Part 1 of  
18 Division 3 of Title 2 of the Government Code:

19 (a) The Regents of the University of California ~~may~~, as  
20 occasioned by necessity, *may* hold special meetings. The regents  
21 shall give public notice for these meetings. This notice shall be  
22 given by means of a notice hand delivered or mailed to each  
23 newspaper of general circulation and television or radio station  
24 that has requested notice in writing, so that the notice may be  
25 published or broadcast at least 72 hours before the time of the  
26 meeting. The notice shall specify the time, place, and agenda of  
27 the special meeting. The regents shall not consider any business  
28 not included in the agenda portion of the notice. Failure to ~~satisfy~~  
29 ~~the provisions of~~ *comply with* this subdivision shall not be excused  
30 by the fact that no action was taken at the special meeting.

31 (b) The Regents of the University of California may conduct  
32 closed sessions when they meet to consider or discuss *any of the*  
33 *following matters:*

34 (1) Matters affecting ~~the~~ national security.

35 (2) The conferring of honorary degrees or other honors or  
36 commemorations.

37 (3) Matters involving gifts, devises, and bequests.

38 (4) Matters involving the purchase or sale of investments for  
39 endowment and pension funds.

1 (5) Matters involving litigation, when discussion in open session  
2 concerning those matters would adversely affect, or be detrimental  
3 to, the public interest.

4 (6) The acquisition or disposition of property, if discussion of  
5 these matters in open session could adversely affect the regents'  
6 ability to acquire or dispose of the property on the terms and  
7 conditions they deem to be in the best public interest.

8 (7) (A) Matters concerning the appointment, employment,  
9 performance, compensation, or dismissal of university officers or  
10 employees, excluding individual regents other than the president  
11 of the university. ~~Consideration of compensation for the principal  
12 officers of the regents and the officers of the university, as listed  
13 in Figure 9 on page F-37 of the Analysis of the 1993-94 Budget  
14 Bill by the Legislative Analyst's office, shall not include action  
15 by the regents on compensation proposals. Action by the regents  
16 on those proposals shall be only in open session. Compensation~~

17 (B) *Discussion of, and action on, an executive compensation  
18 proposal concerning any of the following shall occur in an open  
19 session of the appropriate committee of the regents, and any final  
20 discussion of, or action on, that proposal shall occur in an open  
21 session of the full board of regents:*

22 (i) *The President of the University of California.*

23 (ii) *The chancellor of an individual campus.*

24 (iii) *A vice president of academic affairs, administration,  
25 agriculture, budget, business affairs, health, or human resources.*

26 (iv) *The treasurer or the assistant treasurer.*

27 (v) *The general counsel.*

28 (vi) *The regents' secretary.*

29 (c) *Compensation* for the principal officers of the regents and  
30 the officers of the university shall include salary, benefits,  
31 perquisites, severance payments (except those made in connection  
32 with a dismissal or a litigation settlement), retirement benefits, or  
33 any other form of compensation.

34 (8) Matters relating to complaints or charges brought against  
35 university officers or employees, excluding individual regents  
36 other than the president of the university, unless the officer or  
37 employee requests a public hearing.

38 (c) While a witness is being examined during any open or closed  
39 session, any or all other witnesses in the investigation may be  
40 excluded from the proceedings by the regents.

1 (d) Committees of the regents may conduct closed sessions on  
2 Medi-Cal contract negotiations.

3 (e) The nominating committee of the regents may conduct closed  
4 sessions held for the purpose of proposing officers of the board  
5 and members of the board’s various committees.

6 (f) Committees of the regents may conduct closed sessions held  
7 for the purpose of proposing a student regent.

8 (g) The regents shall not be required to give public notice of  
9 meetings of special search or selection committees held for the  
10 purpose of conducting interviews for university officer positions.

11 SEC. 5. (a) The Legislature finds and declares all of the  
12 following:

13 (1) On February 22, 2006, the Chairperson of the Regents of  
14 the University of California testified before the Senate Committee  
15 on Education.

16 (2) At the February 22, 2006, hearing referenced in paragraph  
17 (1), the chairperson of the regents testified that “all discussions of  
18 and actions on executive compensation programs occur in open  
19 session of the appropriate committee [of the regents], with final  
20 action occurring in open session of the full board.”

21 (3) At the February 22, 2006, hearing referenced in paragraph  
22 (1), the chairperson of the regents further testified that the regents  
23 had adhered to the policy set forth in paragraph (2) since 1993.

24 (b) It is the intent of the Legislature, in enacting the amendment  
25 to Section 92032 of the Education Code made by Section 4 of this  
26 act, to clarify existing law by conforming Section 92032 of the  
27 Education Code to the practices of the regents with respect to the  
28 discussion of compensation of university executives at meetings  
29 of the regents, as expressed by the chairperson of the regents at  
30 the February 22, 2006, hearing, and as set forth in paragraph (2)  
31 of subdivision (a).

32 (c) Therefore, the Legislature finds and declares that paragraph  
33 (7) of subdivision (b) of Section 92032 of the Education Code, as  
34 amended by Section 4 of this act, sets forth the policies with respect  
35 to the discussion of compensation of executive officers of the  
36 university that have applied to, and governed, all regents meetings  
37 held since 1993.

38 SEC. 6. No reimbursement is required by this act pursuant to  
39 Section 6 of Article XIII B of the California Constitution because  
40 the only costs that may be incurred by a local agency or school

1 district will be incurred because this act creates a new crime or  
2 infraction, eliminates a crime or infraction, or changes the penalty  
3 for a crime or infraction, within the meaning of Section 17556 of  
4 the Government Code, or changes the definition of a crime within  
5 the meaning of Section 6 of Article XIII B of the California  
6 Constitution.

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