

AMENDED IN ASSEMBLY APRIL 10, 2012

AMENDED IN ASSEMBLY MARCH 20, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1561

Introduced by Assembly Member Roger Hernández
(Coauthors: Assembly Members Alejo, Ammiano, Campos, Lara,
V. Manuel Pérez, and Williams)
(Coauthor: Senator Correa)

January 30, 2012

An act to add Sections 89516.5 and 92612.5 to the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1561, as amended, Roger Hernández. California State University and University of California: compensation.

Existing law establishes the California State University under the administration of the Trustees of the California State University, and the University of California under the administration of the Regents of the University of California, as 2 of the segments of public postsecondary education in the state.

This bill would prohibit the trustees from entering into or renewing, and would request the regents not to enter into or renew, a contract that provides for a compensation increase, as defined, for any administrator, as defined, using state moneys or moneys from tuition or fees in a fiscal year in which the amount of General Fund moneys appropriated to the respective segment in the annual Budget Act for the current fiscal year is less than the amount of moneys appropriated to that segment in the annual Budget Act for the immediately preceding fiscal year, or if

mandatory systemwide resident tuition or fees have been increased in the same fiscal year.

This bill would prohibit the trustees from increasing, and would request the regents not to increase, the compensation of an administrator by more than 10% relative to the immediately preceding compensation for that position. Subsequent to this increase, the bill would require, and request, that compensation to only be increased by the percentage of inflation, as specified.

The bill would prohibit California State University administrators from participating, and would request University of California administrators not to participate, in specified activities.

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

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

1 SECTION 1. Section 89516.5 is added to the Education Code,
2 to read:

3 89516.5. (a) On or after January 1, 2013, the trustees shall not
4 enter into or renew a contract that provides for a compensation
5 increase for any administrator using state moneys or moneys from
6 tuition or fees in a fiscal year when either of the following occurs:

7 (1) The amount of General Fund moneys appropriated to the
8 California State University in the annual Budget Act for the current
9 fiscal year is less than the amount of General Fund moneys
10 appropriated to the California State University in the annual Budget
11 Act for the immediately preceding fiscal year.

12 (2) ~~Tuition~~ *Mandatory systemwide resident tuition* or fees are
13 increased in the same fiscal year.

14 (b) (1) Except as provided for in paragraph (2), on or after
15 January 1, 2013, the trustees shall not increase the compensation
16 of an administrator by more than 10 percent relative to the
17 immediately preceding compensation for that position.

18 (2) Subsequent to the increase of the compensation of an
19 administrator by no more than 10 percent pursuant to paragraph
20 (1), the compensation of an administrator shall only be increased
21 by the percentage of inflation, if any, specified in the California
22 Consumer Price Index for All Urban Consumers, as published by
23 the Department of Industrial Relations, Division of Labor Statistics
24 and Research, or its successor index.

1 (c) An administrator shall not do either of the following:

2 (1) Participate in the procurement of donations by an auxiliary
3 organization if those donations are used to provide a compensation
4 increase to that administrator.

5 (2) Participate in the bidding or negotiations for services or
6 contracts with an entity that provided funding to an auxiliary
7 organization if that funding is used to provide a compensation
8 increase to that administrator.

9 (d) As used in this section, the following terms have the
10 following meanings:

11 (1) "Administrator" includes, but is not limited to, the
12 Chancellor of the California State University, a vice chancellor of
13 the university, an executive vice chancellor of the university, the
14 general counsel of the university, the trustees' secretary, and the
15 president of a campus.

16 (2) "Auxiliary organization" means those entities defined in
17 Section 89901.

18 (3) "Compensation" includes salary, benefits, perquisites,
19 severance payments, retirement benefits, or any other form of
20 compensation.

21 SEC. 2. Section 92612.5 is added to the Education Code, to
22 read:

23 92612.5. (a) On or after January 1, 2013, the regents are
24 requested not to enter into or renew a contract that provides for a
25 compensation increase for any administrator using state moneys
26 or moneys from tuition or fees in a fiscal year when either of the
27 following occurs:

28 (1) The amount of General Fund moneys appropriated to the
29 University of California in the annual Budget Act for the current
30 fiscal year is less than the amount of General Fund moneys
31 appropriated to the University of California in the annual Budget
32 Act for the immediately preceding fiscal year.

33 (2) ~~Tuition~~ *Mandatory systemwide resident tuition* or fees are
34 increased in the same fiscal year.

35 (b) (1) Except as provided for in paragraph (2), on or after
36 January 1, 2013, the regents are requested not to increase the
37 compensation of an administrator by more than 10 percent relative
38 to the immediately preceding compensation for that position.

39 (2) Subsequent to the increase of the compensation of an
40 administrator by no more than 10 percent pursuant to paragraph

1 (1), the compensation of an administrator is requested to only be
2 increased by the percentage of inflation, if any, specified in the
3 California Consumer Price Index for All Urban Consumers, as
4 published by the Department of Industrial Relations, Division of
5 Labor Statistics and Research, or its successor index.

6 (c) It is requested that an administrator not do either of the
7 following:

8 (1) Participate in the procurement of donations by a UC campus
9 foundation if those donations are used to provide a compensation
10 increase to that administrator.

11 (2) Participate in the bidding or negotiations for services or
12 contracts with an entity that provided funding to a UC campus
13 foundation if that funding is used to provide a compensation
14 increase to that administrator.

15 (d) As used in this section, the following terms have the
16 following meanings:

17 (1) "Administrator" includes, but is not limited to, the President
18 of the University of California; any vice president of the university;
19 the regents' secretary; the treasurer of the university; the general
20 counsel of the university; the chancellor of each campus of the
21 university; all assistant chancellors, associate chancellors, and vice
22 chancellors of each campus of the university; all provosts and vice
23 provosts of each campus of the university; and the chief campus
24 counsel of each campus of the university.

25 (2) "Compensation" includes salary, benefits, perquisites,
26 severance payments, retirement benefits, or any other form of
27 compensation.

28 (3) "UC campus foundation" means those entities defined in
29 subdivision (a) of Section 92951.