

AMENDED IN ASSEMBLY APRIL 23, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1317

Introduced by Assembly Member Salas
(Principal coauthor: Assembly Member Roger Hernández)
(Coauthors: Assembly Members Alejo, Calderon, Dodd, Frazier,
Gomez, Gonzalez, McCarty, Rodriguez, and Weber)
(Coauthors: Senators Anderson, Beall, Cannella, Galgiani, Hall, Hueso,
Lara, Mendoza, and Vidak)

February 27, 2015

An act to add Section 89500.4 to, and to add Article 2 (commencing with Section 92010) to Chapter 1 of Part 57 of Division 9 of Title 3 of, the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1317, as amended, Salas. Public postsecondary education: executive officer compensation.

Existing law establishes the University of California, which is administered by the Regents of the University of California, and the California State University, which is administered by the Trustees of the California State University, as 2 of the segments of public postsecondary education in this state. Existing law authorizes the regents and the trustees to employ officers and other employees.

This bill would prohibit the trustees from ~~increasing~~ *using public funds to increase* the compensation of any executive officer, as defined, of the California State University when the amount of mandatory systemwide student fees and tuition of the university has been increased at any time in the immediately preceding ~~4~~ 2 years.

The bill would also request the regents to refrain from ~~increasing~~ *using public funds to increase* the compensation of any executive officer, as defined, of the University of California, when the amount of mandatory systemwide student fees and tuition of the university has been increased at any time in the immediately preceding ~~4~~ 2 years.

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. The Legislature finds and declares all of the
2 following:

3 (a) On November 19, 2014, the Regents of the University of
4 California voted on a “five-year stability plan,” which establishes
5 annual tuition and student fee increases of up to 5 percent per year
6 for both undergraduate and graduate students, with increase levels
7 contingent on state funding.

8 (b) While increasing tuition costs for students, the regents also
9 approved compensation increases of up to 20 percent for several
10 chancellors and executives.

11 (c) Twelve California State University campuses have imposed
12 “student success fees” of up to nearly eight hundred dollars (\$800)
13 per student, charged in addition to tuition, to augment academic
14 services and hire faculty.

15 (d) On November 13, 2014, the Trustees of the California State
16 University approved a 3-percent compensation increase for top
17 executives.

18 (e) As public institutions designed to serve students, state
19 universities have a responsibility to keep education accessible and
20 affordable and to prioritize student needs over executive pay.

21 (f) The State of California has an interest in holding state
22 universities accountable and maintaining affordability in higher
23 education.

24 SEC. 2. Section 89500.4 is added to the Education Code, to
25 read:

26 89500.4. (a) The trustees shall not *use public funds to* increase
27 the compensation of any executive officer when the amount of
28 mandatory systemwide student fees and tuition of the university
29 has been increased at any time in the immediately preceding ~~four~~
30 *two* years.

1 (b) As used in this section, “executive officer” includes, but is
2 not limited to, the Chancellor of the California State University,
3 a vice chancellor or an executive vice chancellor of the university,
4 the general counsel of the university, the trustees’ secretary, or
5 *the* president of a campus.

6 (c) Subdivision (a) shall apply only to executive officers that
7 enter into or renew contracts for employment with the California
8 State University on or after January 1, 2016.

9 SEC. 3. Article 2 (commencing with Section 92010) is added
10 to Chapter 1 of Part 57 of Division 9 of Title 3 of the Education
11 Code, to read:

12
13 Article 2. Executive Compensation
14

15 92010. (a) The Regents of the University of California are
16 requested to refrain from ~~increasing~~ *using public funds to increase*
17 the compensation of any executive officer when the amount of
18 mandatory systemwide student fees and tuition of the university
19 has been increased at any time in the immediately preceding ~~four~~
20 *two* years.

21 (b) As used in this section, “executive officer” includes, but is
22 not limited to, the President of the University of California, the
23 chancellor of an individual campus, a vice president of the
24 university, the treasurer or the assistant treasurer of the university,
25 the general counsel of the university, and the regents’ secretary.

26 (c) Subdivision (a) shall apply only to executive officers that
27 enter into or renew contracts for employment with the University
28 of California on or after January 1, 2016.