

**ASSEMBLY BILL**

**No. 2214**

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**Introduced by Assembly Member Harper**  
**(Coauthors: Assembly Members Travis Allen, Gallagher, Mathis,**  
**and Patterson)**  
(Coauthor: Senator Huff)

February 18, 2016

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An act to add Section 66407.3 to the Education Code, relating to public postsecondary education, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2214, as introduced, Harper. Public postsecondary education: faculty royalty income disclosure.

(1) Existing law, known as the Donahoe Higher Education Act, sets forth the missions and functions of the segments of postsecondary education in this state. The California State University, under the administration of the Trustees of the California State University, the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, and the University of California, under the administration of the Regents of the University of California, constitute the 3 segments of public postsecondary education in this state. Provisions of the Donahoe Higher Education Act apply to the University of California only to the extent that the regents act, by appropriate resolution, to make those provisions applicable.

An existing chapter of the Donahoe Higher Education Act relates to the use of academic materials, and provides that a court of competent jurisdiction is authorized to grant relief that is necessary to enforce the

provisions of this chapter, including through the issuance of an injunction.

This bill would add to this chapter a provision that requires the trustees and the governing board of each community college district, and requests the regents, to require their faculty members to annually disclose, on or before April 15, 2017, and on or before April 15 of each year thereafter, on a form and in a manner to be determined by the trustees, the governing board, or the regents, as appropriate, all of the income he or she received in the immediately preceding calendar year from a publisher, periodical, or provider of online content for royalties, advances, consulting services, or for any other purpose.

The bill would require that the information provided by the faculty members under this bill be available to the public on the Internet Web site of the institution at which the faculty members teach, as specified. The bill would authorize the trustees, community college governing boards, or regents to require a faculty member who does not file the information required under this bill in a timely manner to pay an administrative fine of up to 25% of the unreported income or \$5,000, whichever is smaller, as specified.

The bill would authorize the trustees and the community college district governing boards to expend the proceeds of these fines for general educational purposes at the campuses at which the faculty members who were assessed the fines were employed. With respect to the California State University, the bill would establish the California State University Faculty Royalty Disclosure Fund as a continuously appropriated fund for the deposit of fine proceeds and their allocation to the appropriate campuses. The bill would request the regents to allocate the proceeds of any administrative fines they collect pursuant to the bill in a manner similar to that described for the California State University.

To the extent that this provision would impose new duties on community college districts, this bill would constitute a state-mandated local program.

(2) 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, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: yes.

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

1 SECTION 1. Section 66407.3 is added to the Education Code,  
2 to read:

3 66407.3. (a) The Trustees of the California State University  
4 and the governing board of each community college district shall,  
5 and the Regents of the University of California are requested to,  
6 require its faculty members to annually disclose, on or before April  
7 15, 2017, and on or before April 15 of each year thereafter, on a  
8 form and in a manner to be determined by the trustees, the  
9 governing board, or the regents, as appropriate, all of the income  
10 he or she received in the immediately preceding calendar year  
11 from a publisher, periodical, or provider of online content for  
12 royalties, advances, consulting services, or for any other purpose.

13 (b) The trustees, community college district governing boards,  
14 and regents shall ensure that the information provided by the  
15 faculty members pursuant to subdivision (a) is available to the  
16 public on the Internet Web site of the institution at which the  
17 faculty members teach. The information provided by an individual  
18 faculty member pursuant to this section shall remain available on  
19 the Internet Web site for as long as that individual is employed as  
20 a teacher at that institution.

21 (c) The trustees, community college district governing board,  
22 and the regents, as appropriate, may require, with proper notice  
23 and an opportunity for a hearing, a faculty member who does not  
24 file the information required pursuant to this section in a timely  
25 manner to pay an administrative fine of up to 25 percent of the  
26 unreported income or five thousand dollars (\$5,000), whichever  
27 is smaller. The proceeds of any administrative fines collected  
28 pursuant to this subdivision shall be collected by the trustees or  
29 by a community college district governing board, as appropriate,  
30 and shall be deposited in a fund for allocation pursuant to  
31 subdivision (d).

32 (d) (1) The trustees shall deposit the proceeds of administrative  
33 fines collected pursuant to subdivision (c) into the California State  
34 University Faculty Royalty Disclosure Fund, which is hereby  
35 established. Notwithstanding Section 13340 of the Government

1 Code, the moneys in the California State University Faculty  
2 Royalty Disclosure Fund are continuously appropriated to the  
3 trustees for allocation for expenditure for general educational  
4 purposes at the campus at which the faculty member who was  
5 assessed the fine is employed.

6 (2) The governing board of a community college district is  
7 authorized to expend the proceeds of any administrative fines  
8 collected pursuant to subdivision (c) for general educational  
9 purposes at the campus at which the faculty member who was  
10 assessed the fine is employed.

11 (3) The regents are requested to allocate the proceeds of any  
12 administrative fines collected pursuant to subdivision (c) in a  
13 manner similar to that described in paragraph (1).

14 SEC. 2. If the Commission on State Mandates determines that  
15 this act contains costs mandated by the state, reimbursement to  
16 local agencies and school districts for those costs shall be made  
17 pursuant to Part 7 (commencing with Section 17500) of Division  
18 4 of Title 2 of the Government Code.