

March 2017 Newsletter

Upcoming Events:

California Acceleration Project Conference March 9-11 Sacramento, CA

Consultation Council March 16 Sacramento, CA

Board of Governors Meeting March 20 Sacramento, CA

Phi Theta Kappa All-Academic Team Awards March 23 Sacramento, CA

IEPI Integrated Planning Tools & Resources Workshop March 29, Huntington Beach April 19, Burlingame, CA

CCPRO Conference April 19-21 Anaheim, CA

Annual Trustees Conference May 4-7 Lake Tahoe, CA

Follow Bills Tracked at: www.ccleague.org/bills

Follow news related to Budget and Policy at: www.ccleague.org/policy

Pension Boards Lower Assumed Rate of Return

The state's two largest public pension systems continue to struggle after major investment losses during the great recession and stock market crash in 2008 when CalPERS and CalSTRS lost approximately \$100 billion and \$68 billion respectively. The two systems are still underfunded with CalPERS at 68 percent and CalSTRS at 65 percent of projected assets needed to pay future pensions. Last month, the California State Teachers Retirement System (CalSTRS) Board voted to lower the assumed rate of return from 7.5 percent to 7 percent over a two-year period. This follows a similar action by the California Public Employees' Retirement System (CalPERS) board, which voted in December to lower the pension plan's expected rate of return to 7 percent by 2020 after the fund failed to meet its 7.5 percent target the past two years. Under the California Public Employees' Pension Reform Act of 2013 (PEPRA), rates paid by districts are set to gradually increase through 2020.

CalPERS is the country's largest public pension fund, valued at \$300 billion. CalSTRS, with a portfolio valued at \$188.7 billion, is the largest educatoronly pension fund in the world. Both are nearing a time when there will be more retirees in the system than active workers.

The assumed rate of investment returns approved by both Boards for the next three Fiscal Years (FY) are as follows:

FY 2017-2018:	7.375%
FY 2018-2019:	7.25%
FY 2019-2020:	7.00%

The move will place a greater financial burden on the state's schools, colleges, cities, counties and other local government agencies statewide that rely on CalPERS and CalSTRS pensions. Changes in actuarial assumptions are expected to result in a need for higher employer contributions starting in fiscal year 2021-22.

Legislative Session Off To Busy Start

A total of 2,612 bills have been introduced this legislative session, 80 of which pertain to community colleges. Several bills are still in "spot" form or only express legislative intent. Bills can be amended 30 days after they have

been introduced and in time for Committee hearings in March. Below are some of the key bills the League will be tracking this legislative session.

Degree Programs

SB 769 (Hill) Baccalaureate Degree Pilot Program

This bill would increase the maximum number of district baccalaureate degree pilot programs from 15 to 30. The bill would also extend the operation of the statewide baccalaureate degree pilot program and would no longer require a student to complete his or her degree by the end of the 2022-23 academic year. SB 769 would alter the existing prohibition against offering a baccalaureate degree program or program curricula already offered by UC or the CSU, to prohibition of a community college baccalaureate degree program being offered within 100 miles of the CSU's or the UC's pre-existing baccalaureate degree program.

Collective Bargaining and Human Resources

AB 52 (Cooper) Public Employees: Orientation and Informational Programs: Exclusive Representatives

This bill would require all public employers to provide time for an orientation session between all new employees and their collective bargaining unit.

AB 1651 (Reyes) Community Colleges: Academic Employees: Paid Administrative Leave

This bill would make various changes regarding how a college can place an academic employee on administrative leave while investigating allegations of misconduct. Specifically, it would:

1) Require an employee to be placed on leave only for the following reasons:

- a. Misappropriation of funds or property.
- b. The employee may have committed a felony.
- c. Employee may have made threats of violence.
- d. Other serious and extreme behavior.

2) Limit the number days an employee is placed on paid administrative leave to 30 calendar days unless the college CEO, after a hearing, determines the leave is still appropriate. The hearing would be held in accordance with Skelly hearing procedures.

3) Requires the investigation of the allegations to be completed within 90 days. If the investigation takes longer then 90 days an employee put on paid administrative leave would be entitled to either a second hearing or proceed to an expedited arbitration contesting the continuation of the paid administrative leave.

Community Colleges and Immigration

AB 21 (Kalra) Public Postsecondary Education: Access to Higher Education for Every Student

This bill would prohibit California's community colleges and the California State University, and requests the University of California to the furthest extent legally possible to not cooperate with immigration enforcement agencies or officials. Specifically, it requires colleges to:

1) Refuse to release immigration status of enrolled students;

2) Refuse permission to enter by officials of the United States Immigration and Customs Enforcement Agency without a written description of their planned activities provided at least 10 days prior;

3) Provide housing or a stipend during breaks to students who cannot return to their families who live outside the country;

4) Provide access to legal services for students who face significant risk of being deported; and5) If the Deferred Action for Childhood Arrivals (DACA) program is reversed, provide resources to help affected students

AB 343 (McCarty) Public Postsecondary Education: Holders of Special Immigrant Visas

This bill would permit those who hold a Special Immigrant Visa - typically reserved for Iraqis or Afghanis who must leave the country due to serving or supporting the armed forces of the United States - to qualify for in-state tuition and financial aid.

Financial Aid and Fees

AB 19 (Santiago) Community Colleges: Enrollment Fee Waiver

This bill would make all students who are taking 12 or more units in their first academic year eligible for the Board of Governor's Fee Waiver, regardless of their financial need.

SB 15 (Levya) Student Financial Aid: Cal Grant C Awards

This bill would increase the access portion of the Cal Grant C award from \$540 to \$3,000.

Basic Skills

AB 705 (Irwin) Campbell Student Success Act of 2012: Assessment

This bill would require, by August 1, 2018, a community college district or college to use high school transcript data in the assessment and subsequent assignment of students to English and mathematics coursework in order to maximize the probability that the student will complete college-level coursework in English and mathematics within a one-year time frame. The bill would prohibit a community college district or college from requiring students to enroll in remedial coursework that lengthens their time to complete a degree unless research shows that those students are highly unlikely to succeed in college-level coursework.

League Offers Legislative Webinars

Every year the League's Government Relations team engages in advocacy efforts at the State Capitol on bills and budget proposals that are of critical importance to colleges. Our advocacy efforts are multifaceted and include committee testimony, capitol visits, and in-district legislative meetings. Active **participation and engagement from college leaders is the most effective means for success.** Therefore, to ensure that at every step of the legislative process college leaders are aware of the most pressing issues, the League is launching a series of legislative update webinars held at key junctures of the process.

> March 21, 2017 at 11:30 AM May 2, 2017 at 11:30 AM May 30, 2017 at 11:30 AM

We hope that you will save the date and participate. To join the webinar, follow the instructions below:

League Legislative Webinar

Meeting Link: https://www.cccconfer.org/GoToMeeting?SeriesID=8f35744d-6c52-4c18-ba80-5a371edd1d37 Meeting Passcode: 904771

For the latest information on bills tracked by the League, visit www.ccleague.org/bills.

Must Reads

Aiding Success

February 2017, The Institute for College Access & Success

Aiding Success, released by the Association of Community College Trustees (ACCT) and the Institute for College Access & Success (TICAS), in collaboration with the California Community Colleges' Chancellors Office (CCCCO), takes a unique look at federal and state financial aid, academic preparation, and college transfer and completion for students across California's 113 community colleges. The report includes policy recommendations for the federal government, state legislatures, and colleges. States must reinvest in public higher education and better support the students in their two-year colleges. The federal government must explore ways to promote these investments, and lead the way by strengthening need-based funding for students. The report finds that *low-income students who receive more aid succeed at higher rates*, which should serve to encourage others to delve deeper into the causal relationship between aid and student success, particularly as they relate to other factors including academic preparation and enrollment intensity.

Click here to read the full report.

Trustees and Enrollment Management – Know The Trends and Ask the Right Questions February 2016, Bernie Rhinerson, *ACCT Quarterly*

In this brief, San Diego Community College District Trustee Bernie Rhinerson explains how carefully focused enrollment management program can make a difference. Trustee Rhinerson provides fellow Board members with key questions to ask: what are the elements of an effective enrollment management program, and what is the role of the community college trustee? This article emphasizes that trustees need to understand the national trends that are impacting enrollment at community colleges and then be prepared to ask the right questions.

Read the full briefing here.

For more information, contact the League's Government Relations and Communications staff:

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