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## **CALIFORNIA STATE UNIVERSITY GOVERNANCE REFORM ACT AB 1413 PASSES CALIFORNIA STATE SENATE**

### **-- Bill to Clamp Down on Abuses of CSU Executive Pay & Perks is on Its Way to the Governor's Desk --**

Sacramento — Despite stiff opposition by the CSU Chancellor's Office and campus presidents, the state Senate on Friday approved the California Faculty Association sponsored "CSU Governance Reform and Executive Compensation" bill by a 25-13 vote.

The bill would clamp down on abuses of CSU executive compensation and bring more accountability and transparency to the CSU. Ironically, the CSU Board of Trustees announced that they will propose an 11.8% pay raise for top executives at the September 18-19 meeting, further validating why the passage of AB 1413 is essential.

"This bill is a step in the right direction for the future of the CSU," said CFA President Lillian Taiz. "The fact that the top CSU executives persistently fought this bill explains exactly why more accountability and transparency is necessary to keep this Administration in check. They spend more time fighting policies that will improve the system than they do fighting for the needs of the faculty and students in the classroom.

"And they spend more time fighting for raises for top executives than they do fighting for the funding that the system needs. This CSU governance reform not only addresses accountability to faculty, students, and the public, but also helps to achieve compensation policies that protect taxpayer dollars."

The bill returns this week to the Assembly, which will consider changes made by the Senate after it was approved by the Assembly 73 to 1. The changes are expected to be accepted and the final stop for the bill will be the Governor's desk. The governor will sign it, veto it or simply allow it to become law without action by the 30-day deadline.

AB 1413 is jointly authored by Assembly Higher Education Committee Chair Anthony Portantino (D – Pasadena) and Julia Brownley (D – Santa Monica), who chairs the Assembly budget subcommittee that develops the CSU budget. State Sen. Gloria Romero was a principal co-author. State Sen. Leland Yee, a co-author, provided key assistance in helping to move the bill through the Senate.

"I am extremely pleased the Senate took the action it did to instill some meaningful reforms at the CSU Board of Trustees," said Portantino. "I was disappointed to see the CSU leadership work so aggressively to defeat this legislation.

"Given that the proposed changes contained in AB 1413 will finally bring transparency and accountability at the upper echelons of the CSU, this left one of our nation's finest public universities defending the indefensible. As Chair of the Assembly Higher Education Committee, I look forward to working with the CSU, faculty, students and other stakeholders to keep our universities at the forefront of higher learning."

Assembly Bill 1413 will improve the public dialogue, accountability and oversight of the CSU administration and Board of Trustees by placing restrictions on some executive compensation payments, requiring that actual work is done for so-called "transition pay," ensuring that executive contracts are made public, and allowing Board ex officios – the Governor, Lt. Governor, Supt. Of Public Instruction and Assembly Speaker – to designate a staff person to attend Trustee meetings to ask questions and give input if the ex officio is unable to attend.

*In related news:*

- A law to ban secret discussions of public university exec pay and perks, SB190, also is headed for the Governor's desk.
- In addition to executive pay, the CSU Trustees will preview the 2008/09 CSU budget proposal at their regular meeting Sept. 18-19.
- Another 10% student fee increase is likely to be in the budget plan, based on projections made by CSU execs at past meetings. Execs will call it a fee "buyout," in which they impose the increase on students and leave it to the legislature to provide state funding to prevent it.
- A state audit of CSU exec pay and perks policies is planned for release in October. See <http://www.bsa.ca.gov/bsa/aip.php>

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