

AMENDED IN SENATE FEBRUARY 11, 2013

SENATE BILL

No. 8

Introduced by Senators Yee and Anderson

~~(Coauthor: Senator~~ **Coauthors: Senators Cannella, Correa, Fuller,
and Huff)**

(Coauthors: Assembly Members Alejo and Ammiano, Chávez, and
Fox)

December 3, 2012

An act to add and repeal Section 89500.5 of the Education Code,
relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 8, as amended, Yee. 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, ~~and the California Community Colleges,
which is administered by the Board of Governors of the California
Community Colleges,~~ as 2 of the 3 segments of public postsecondary
education in this state. Existing law authorizes the regents, *regents and*
the trustees, ~~and the board~~ to employ officers and other employees.

This bill would prohibit the trustees from, and request the regents to
refrain from, increasing the monetary compensation, as defined, of, or
approving a monetary bonus for, any executive officer, as defined, of
the university within 2 years of a fiscal year in which the mandatory
systemwide fees of the university are increased from the immediately
preceding fiscal year, or in which the General Fund appropriation to
the university in the annual Budget Act is less than, or equal to, the

General Fund appropriation to the university in the annual Budget Act for the immediately preceding fiscal year. The bill would prohibit the trustees from, and request the regents to refrain from, providing monetary compensation to an incoming executive officer that exceeds 105% of the monetary compensation of the immediately preceding executive officer of the same classification who the incoming executive officer is replacing. The bill would repeal these provisions on January 1, 2024.

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 89500.5 is added to the Education Code,
2 to read:

3 89500.5. (a) The trustees shall not increase the monetary
4 compensation of, or approve payment of a monetary bonus to, ~~any~~
5 *an* executive officer within two years of a fiscal year in which
6 either of the following occurs:

7 (1) Mandatory systemwide student fees of the California State
8 University are increased from the amount of mandatory systemwide
9 student fees charged in the immediately preceding fiscal year.

10 (2) The amount of General Fund moneys appropriated to the
11 California State University in the annual Budget Act is less than,
12 or equal to, the amount of General Fund moneys appropriated to
13 the California State University in the annual Budget Act for the
14 immediately preceding fiscal year.

15 (b) The trustees shall not provide monetary compensation to an
16 incoming executive officer that exceeds 105 percent of the
17 monetary compensation of the immediately preceding executive
18 officer of the same classification who the incoming executive
19 officer is replacing.

20 (c) As used in this section, the following terms have the
21 following meanings:

22 (1) “Executive officer” includes, but is not limited to, the
23 Chancellor of the California State University, a vice chancellor of
24 the university, an executive vice chancellor of the university, the
25 general counsel of the university, the trustees’ secretary, and the
26 president of an individual campus.

1 (2) “Monetary compensation” includes, but is not limited to, a
2 salary, a vehicle allowance, and a housing allowance.

3 (d) Subdivisions (a) and (b) shall apply only to executive officers
4 who enter into or renew a contract for employment with the
5 California State University on or after January 1, 2014.

6 (e) This section shall remain in effect only until January 1, 2024,
7 and as of that date is repealed, unless a later enacted statute, that
8 is enacted before January 1, 2024, deletes or extends that date.

9 SEC. 2. (a) The Regents of the University of California are
10 requested to not increase the monetary compensation of, or approve
11 payment of a monetary bonus to, ~~any~~ *an* executive officer within
12 two years of a fiscal year in which either of the following occurs:

13 (1) Mandatory systemwide student fees of the University of
14 California are increased from the amount of mandatory systemwide
15 student fees charged in the immediately preceding fiscal year.

16 (2) The amount of General Fund moneys appropriated to the
17 University of California in the annual Budget Act is less than, or
18 equal to, the amount of General Fund moneys appropriated to the
19 University of California in the immediately preceding fiscal year.

20 (b) The regents are requested to not provide monetary
21 compensation to an incoming executive officer that exceeds 105
22 percent of the monetary compensation of the immediately
23 preceding executive officer of the same classification who the
24 incoming executive officer is replacing.

25 (c) As used in this section, the following terms have the
26 following meanings:

27 (1) “Executive officer” includes, but is not limited to, the
28 President of the University of California, the chancellor of an
29 individual campus, the chief executive officer of a university
30 hospital or medical center, a vice president of the university, the
31 treasurer of the university, the assistant treasurer of the university,
32 the general counsel of the university, and the regents’ secretary.

33 (2) “Monetary compensation” includes, but is not limited to, a
34 salary, a vehicle allowance, and a housing allowance.

35 (d) Subdivisions (a) and (b) shall apply only to executive officers
36 who enter into or renew a contract for employment with the
37 University of California on or after January 1, 2014.

38 (e) This section shall remain in effect only until January 1,
39 2024, and as of that date is repealed, unless a later enacted statute,
40 that is enacted before January 1, 2024, deletes or extends that date.

- 1 _____
- 2 **CORRECTIONS:**
- 3 **Heading—Coauthors—Lines 2 and 4.**
- 4 _____

O