

STATE LEGISLATION COMMITTEE

Mark Murray, Chairperson
Jerry Eaton, Vice Chairperson
Don Dawson, Board Liaison
Mildred Dodd, Recorder
Lori Easterling, Consultant
Toni Trigueiro, Consultant

MAJOR POLICY

A. None

OTHER ITEMS FOR IMMEDIATE ACTION

1. **INTERIM POSITIONS TAKEN SINCE JUNE 11, 2012**

Support AB 5 Fuentes (D-39) 8/28/2012

Teachers: best practices teacher evaluation system.

This bill replaces the existing teacher evaluation system, known as the Stull Act, with a new teacher evaluation system that requires specific components, such as multi-year formative and summative assessment data and observations. While existing law authorizes school districts to collectively bargain many of these elements, this bill requires these components to be included in a uniform teacher evaluation system. The goal is to establish a fair, transparent, and comprehensive teacher evaluation system accountable to pupils, parents and teachers.

This position has been approved by Al Reyes, Chair of the Teacher Evaluation & Academic Freedom Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support AB 18 Brownley (D-41) 6/20/2012

Education finance: school-based
financial reporting system: Targeted
Pupil Equity funding: Quality Instruction
funding.

Establishes a 13-member California School Finance Commission to review and analyze alternative formulas for allocating funds to public schools in California for the purpose of identifying and recommending a formula that best meets the needs of the California's

public school system.

This position has been approved by Eric Padgett, Chair of the Financing Public Education Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support AB 178 Gorell (R-37) 6/20/2012

State teachers' retirement.

This measure was substantially amended to update the current post-retirement earnings limit to half of the median statewide average retirement salary and makes it easier for a retired teacher to reinstate into CalSTRS service.

This position has been approved by John Anderson, Vice Chair of the Retirement Committee, as well as by Pat Mazzulli, Chair of the State Legislation Committee.

Oppose AB 340 Furutani (D-55) 8/29/2012

Public employees' retirement.

This is the governor's pension reform measure which dramatically changes most public pension systems.

The details of the plan that most impact CalSTRS members are the following:

1. Normal Cost – All new employees would be required to pay ½ of the normal cost of their retirement. Currently, CalSTRS members pay eight percent of their salaries to CalSTRS, which is 44 percent of the normal cost of their retirement. CalSTRS determines what the normal cost is when they conduct actuarial valuations, which have lately been on an annual basis.

If our new teachers had to pay ½ of the normal cost of their retirement they would likely have to pay 9.1 percent of their salaries to CalSTRS which means they would have a reduction in take-home pay. The larger problem deals with how this would be triggered. The pension reform language specifies only that the normal cost will be determined annually by the actuary. This means that this number would potentially fluctuate and that we would not know what our new members would have to pay until the CalSTRS actuary presents their findings, which happens to take place around June when we are in the midst of budget negotiations.

To make matters worse, there is no language that specifics how this increase in contributions will take place. The CalSTRS Board does not have the authority to increase contributions which means this would likely have to be done on an

annual basis legislatively.

2. Change in Benefit Structure and Formulas – The current CalSTRS benefit structure with a minimum vesting of five years is as follows:

1.4 % at 55
2.0 % at 60
2.4 % at 63

The pension reform agreement is as follows:

1.28 % at 55
2.0 % at 62
2.4 % at 65

CalSTRS members are somewhat differentiated from other public sector employees regarding the highest age of retirement age but the impact to our members is severe.

3. Highest Year Compensation Calculation – Currently, CalSTRS members that work 25 years or more, which is 55 percent of CalSTRS membership, can use their single highest year of salary to calculate their retirement benefit. Currently, CalSTRS members who work less than 25 years use their highest three years of salary to calculate their retirement benefit.

The pension reform agreement will eliminate our new members' ability to use their single highest year when calculating their retirement benefit and requires all future members to use their three highest years of salary.

Many of the other provisions, like pension holidays, were never contentious issues because these were things that were not happening under the CalSTRS system.

This position has been approved by Maggie Ellis, Chair of the Retirement Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support AB 644 Blumenfield (D-40) 6/25/2012

Schools: average daily attendance:
online instruction.

For purposes of computing average daily attendance, this bill would authorize the inclusion of high school students under the supervision of a certificated employee of a school district or county office of education who is delivering synchronous, online instruction, provided that this instruction meets quality standards and the student is

provided necessary computer hardware or software; Class sizes for the synchronous instruction described shall not exceed the equivalent ratio of pupils to full-time certificated employees for all other educational programs operated by the school district, unless a higher or lower ratio is negotiated in a collective bargaining agreement.

This position has been approved by Kathleen Tijan, Chair of the Professional Rights & Responsibilities Committee, as well as by Pat Mazzulli, Chair of the State Legislation Committee.

Approve **AB 1453** **Monning** **(D-27)** **9/11/2012**

Health care coverage: essential health benefits.

Requires health plans regulated in the Health and Safety Code to cover a set of minimum essential health benefits equivalent to the Kaiser Small Group HMO.

This position has been approved by Pat Sabo, Chair of the Negotiations Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support **AB 1500** **John A. Pérez (D-46)** **8/13/2012**

Corporation taxes: apportionment: single sales factor: Middle Class Scholarship Fund.

This bill provides funding for a California scholarship program created in AB 1501 by closing existing tax loopholes for corporations doing business in California, but headquartered out-of-state.

This position has been approved by Dr. Ron Norton Reel, Chair of the Community College Association Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support **AB 1501** **John A. Pérez (D-46)** **8/13/2012**

Student financial aid: Middle Class Scholarship Program.

This bill provides that, commencing with the 2012-2013 academic year, undergraduate students enrolled at the University of California or the California State University would receive a scholarship if the student's annual household income does not exceed \$150,000, is a resident of this state or exempt from paying nonresident tuition, files specified

financial aid forms, and makes timely application(s) for publicly-funded student financial aid.

This position has been approved by Dr. Ron Norton Reel, Chair of the Community College Association Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Oppose **AB 2099** **Cedillo** **(D-45)** **8/27/2012**

Public employees: annuities and mutual fund custodial accounts.

This bill would create a pilot project within the LAUSD and LA Community College district that would eliminate teacher choice of 403(b) products by allowing the school districts to select specific 403(b) products for teachers to choose from.

This position has been approved by Maggie Ellis, Chair of the Retirement Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Approve **AB 2152** **Eng** **(D-49)** **9/26/2012**

Health care coverage.

Requires a health insurer to notify the California Department of Insurance (CDI) at least 30 days prior to terminating a contract with a provider group or general acute care hospital if the termination would affect 800 or more covered lives who have obtained services from the provider group or hospital within the preceding six months; requires an insurer to send a written notice at least 10 days prior to the termination date to all affected policyholders if the termination would affect 2,000 or more covered lives who have obtained services from the provider group or hospital within the preceding six months; improves benefit disclosure forms by including additional information such as conditions and procedures for cancellation, rescission or non-renewal, a description of any limitations on the insured's choice of provider, a statement describing the basic method of reimbursement made to its participating providers, and a statement as to whether the insurer uses financial bonuses or other incentives in provider compensation.

This position has been approved by Pat Sabo, Chair of the Negotiations Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support **SB 863** **De León** **(D-22)** **8/28/2012**

Workers' compensation.

Remedies key problem areas as identified in the numerous reports produced by the California Commission on Health and Safety and Workers' Compensation; establishes an Independent Medical Review for workmans' compensation disputes limiting delays in receiving medical treatment that must be resolved within 30 days.

This position has been approved by Pat Sabo, Chair of the Negotiations Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Approve **SB 951** **Hernandez** **(D-24)** **9/11/2012**

Health care coverage: essential health benefits.

Requires health plans regulated in the Health and Safety Code to cover a set of minimum essential benefits equivalent to the Kaiser Small Group HMO.

This position has been approved by Pat Sabo, Chair of the Negotiations Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support **SB 1200** **Hancock** **(D-9)** **7/13/2012**

Academic content standards:
recommended modifications: expert group.

Allows the State Superintendent of Public Instruction (SPI) to recommend and the State Board of Education (SBE) to approve, additional standards or modifications, or both, to the common core academic content standards adopted by the SBE; requires the SPI, in consultation with the SBE, to consult a group of experts in English language arts and mathematics in developing these recommendations; requires the SPI to present the recommended additional standards or modifications to the SBE by July 30, 2013; requires the SBE to adopt, reject, or modify the recommendations presented by the SPI by September 30, 2013; requires the recommendations to meet specific criteria; and, requires the SBE and SPI to hold a minimum of two public hearings to adopt the revised standards.

This position has been approved by Daly Jordan-Koch, Chair of the Curriculum & Instruction Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

No Position **SB 1456** **Lowenthal** **(D-27)** **8/27/2012**

Community colleges: Seymour-

Campbell Student Success Act of 2012.

Based on recommendations of the Student Success Task Force, SB 1456 revises both the community college matriculation process and the California Community College Board of Governor's (BOG) fee waivers. BOG fee waivers would be eligible only for students who identify a degree, certificate, transfer or career advancement goal and meet academic and progress standards.

This position has been approved by Dr. Ron Norton Reel, Chair of the CCA Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support SCR 105 Negrete McLeod (D-32) 8/24/2012

State Teachers' Retirement System.

SCR 105 would encourage the State Teachers' Retirement System to develop and submit to the Legislature, before February 15, 2013, three options that would address the long-term funding needs of the Defined Benefit Program. The measure would also state the intent of the Legislature to enact legislation to address the long-term funding needs of the Defined Benefit Program of the State Teachers' Retirement Plan.

This position has been approved by Maggie Ellis, Chair of the Retirement Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

Support SJR 30 Hancock (D-9) 8/14/2012

Social security: retirement benefits:
public employees.

Requests that the President and Congress enact the Social Security Fairness Act of 2011, which would repeal the Government Pension Offset (GPO) and the Windfall Elimination Provision (WEP) from the Social Security Act.

This position has been approved by Maggie Ellis, Chair of the Retirement Committee, as well as by Mark Murray, Chair of the State Legislation Committee.

2. **COMMITTEE RECOMMENDATIONS**

Recommendation(s) from the Community College Association Committee

Watch AB 67 (Gorell) R-44
Expresses legislative findings and declarations that as a result of the passage of Prop. 30 mandatory student fees and tuition in California's

higher education institutions would be prohibited from being increased over their levels established in the 2011-12 fiscal year.

Watch **SB 58 (Cannella) R-12**
Expresses legislative findings and declarations that as a result of the passage of Prop. 30 mandatory student fees and tuition in California's higher education institutions would be prohibited from being increased over their levels established in the 2011-12 fiscal year.

Recommendation(s) from the Retirement Committee

Watch **AB 125 (Wieckowski) D-25**
Authorizes CalSTRS's Chief Operating Officer and Chief Financial Officer to receive compensation that is more competitive with the private sector.

Watch **SB 13 (Negrete McLeod) D-0**
This is the technical clean-up bill for the California Public Employees' Pension Reform Act of 2013 (Pension Reform) measure passed in 2012.

Recommendation(s) from the Teacher Evaluation Academic Freedom Committee

Oppose **SB 10 (Padilla) D-20**
Revises the teacher dismissal process by (1) removing professional peers from the neutral panel that hears teacher dismissal cases; (2) changes the decision by the administrative law judge from "binding" to "advisory" on the school district; (3) permits the process to occur over the summer; (4) allows evidence that is more than four years old to be considered; (5) eliminates the 45 day notice; and (6) includes a definition for serious or egregious unprofessional conduct as a ground for dismissal of a permanent school employee.

Recommendation(s) from the Financing Public Education Committee

Support **SCA 3 (Leno) D-11**
Changes the threshold for passing a parcel tax for a city, county, or special district, including a school district, from a 2/3's voter approval to a 55 percent voter approval.

REFERRALS TO THE BOARD OF DIRECTORS

A. None

MATTERS PENDING

A. None

INFORMATIONAL ITEMS

A. The State Legislation Committee appointed its committee members as liaisons to the following State Council policy committees:

Adult, Alternative, Career & Technical Education (ACT): *Ken MacPherson*
Assessment & Testing (AST): *Ronda Champagne*
Civil Rights in Education (CRE): *Ingrid Gunnell & Nancy Roberts*
Community College Association (CCA): *Lee Haggerty*
Credentials and Professional Development (CPD): *Karla Orosco & Cheryl Fowlkes*
Curriculum & Instruction (C&I): *Felicia Sandoval & Mandy Redfern*
Early Childhood Education (ECE): *James Sutter*
Financing Public Education (FPE): *Jim Mordecai & Joe Paluba*
Language Acquisition (LNG): *Laura Du Pre & Donna Meade*
Negotiations (NEG): *Loretta Crljenica & William Martens*
Political Involvement (PIC): *Mougo Nyaggah & Shelly Fields*
Professional Rights & Responsibilities (PR&R): *Rosa Maria Garcia & Stanton Smith*
Retirement (RET): *Robert Hill & Kimberly Chevlin*
School Safety/School Management (SSM): *Dan Reynolds*
Special Education (SEC): *Connie Gearhart*
Student Support Services (SPS): *Nancy Glenn & John Lindner*
Teacher Evaluation & Academic Freedom (TEAF): *Tami Carlson & Barbara Franklin*

STL Committee Rovers: Mark Murray, Jerry Eaton, Millie Dodd, and Don Dawson