

Date of Hearing: June 19, 2012

ASSEMBLY COMMITTEE ON HIGHER EDUCATION
Marty Block, Chair
SB 1062 (Liu) – As Amended: May 8, 2012

SENATE VOTE: 33-1

SUBJECT: California Community Colleges: board of governors.

SUMMARY: Expands the existing authority of the California Community Colleges (CCC) Board of Governors (BOG) to appoint persons without permanent civil service status to vice chancellor and assistant vice chancellor positions, if the individuals meet specified criteria. Specifically, this bill:

- 1) Authorizes the BOG to appoint persons without permanent civil service status to vice chancellor and assistant vice chancellor positions, if the individual meets any of the following:
 - a) Has a minimum of five years of work experience in any of the following:
 - i) A local CCC,
 - ii) A higher education policy position, or,
 - iii) A technical or occupational capacity for which there is a shortage of qualified workers.
 - b) Previously held permanent status in the civil service;
 - c) Was employed by the Legislature for two or more consecutive years; or,
 - d) Held for two or more consecutive years one or more nonelected exempt positions in the executive branch.
- 2) Specifies the changes above, do not limit the application of any law applicable to career executive assignments, including provisions of the Government Code and rules of the State Personnel Board, except as to authorize appointments as described above.

EXISTING LAW:

- 1) Requires the CCC BOG to employ and fix the compensation, in accordance with law, of assistants, clerical, and other employees as it deems necessary for the effective conduct of the work of the Board and the Chancellor's office. (Education Code § 71092)
- 2) Authorizes the Governor, with the recommendation of the BOG, to appoint up to a total of six deputy and vice chancellors, who are exempt from state civil service. (EC § 71090.5)

- 3) Outlines a comprehensive personnel system for state civil service, encourages the development and effective use in the civil service of well-qualified and carefully selected executives, and, for this purpose, establishes a category of civil service appointment called a "career executive assignment" (CEA). Until January 1, 2013, eligibility for appointment to a CEA includes: 1) persons with permanent status, or who previously had permanent status, in the civil service; 2) persons employed by the Legislature for two or more consecutive years; and 3) persons holding, for two or more consecutive years, nonelected exempt positions in the executive branch. (Government Code § 19889.3) After January 1, 2013, eligibility for CEA appointments is reserved exclusively for persons with permanent civil service.

FISCAL EFFECT: This bill is keyed non-fiscal by Legislative Counsel.

COMMENTS: Background. Under current law, appointments to the CCC Chancellor's executive management team are made by a gubernatorial appointment or through the CEA process. However, in past years, key appointments from the Governor's office have often taken months before being approved. As a state agency, the BOG also has the authority to hire individuals who have, or had, permanent civil service status, or former or nonelected, exempt executive employees into a CEA position.

Need for this bill. Current law precludes the appointment of individuals who may have significant CCC, higher education, or industry-related experience. According to the author, the Chancellor needs the flexibility to hire the most qualified individuals he or she can to fill leadership positions in the Chancellor's office. Currently, the Chancellor is limited to hiring from civil, legislative, or non-elected executive service or to going through the Governor's appointment process, which can be lengthy, time consuming, and sometimes fruitless. The delay has resulted in the loss of qualified candidates and prolonged vacancies in key positions.

Student success recommendations. At the direction of the Legislature [SB 1143 (Liu), Chapter 409, Statutes of 2010], the Chancellor established a task force to develop recommendations by early 2012 to promote and improve student success. The 20-member the Student Success Task Force (SSTF) included CCC leaders, faculty, students, researchers, staff, and external stakeholders and spent a fully year researching, studying, and debating the best methods to improve student outcomes. Their plan resulted in 22 recommendations that identify key strategies to invest in student success and enable students to reach their goals, including the recommendation for a stronger Chancellor's office to improve sharing of data, common goal setting, and fidelity to statewide efforts to improve student outcomes.

The Little Hoover Commission in its February 2012 report recommended that the state strengthen the governance of the CCC by creating a stronger, more independent Chancellor's office that is empowered to establish policy directives, create accountability metrics, and hire senior-level staff.

Who is affected? This bill expands the BOG authority to hire persons outside the civil service into a position classified as a CEA. According to the Chancellor's office, 11 vice chancellor positions are currently eligible to be filled by persons outside the civil service system. Three of these are currently classified as CEA positions. Eight positions are classified as exempt positions. The expanded authority would apply only to those positions classified as CEAs.

Arguments in support. According to the Community College League of California, "SB 1062 gives the State Chancellor the authority that he/she needs to recruit and hire educational professionals in a manner equal to those at CSU, UC and other higher education entities. The current provisions requiring gubernatorial approval have delayed appointments for as long as 18 months. These delays have caused excellent qualified candidates to seek and obtain other employment opportunities."

Arguments in opposition. The California Labor Federation argues that adding the three prior experience options "...would set a precedent unlike any other in California government and conflict with the well-established system in place for appointing CEAs. The civil service process ensures an ample pool of knowledgeable and qualified candidates who are not only familiar with governmental operations, but also have private sector work experience, as well as former military service and local community college administrative history."

Prior legislation. SB 1456 (Lowenthal), to be heard by this Committee on June 19, would implement two recommendations from the SSTF. SB 629 (Lowenthal) of 2011, which passed the Senate but has not been set for hearing in this Committee, is very similar to SB 1062. AB 2109 (Ruskin) of 2010, which was withdrawn from this Committee without further action, would have removed the CCC from the definition of "state agency" for all legislation enacted after January 1, 2011, and would have provided the CCC Chancellor's Office with expanded personnel hiring authority.

REGISTERED SUPPORT / OPPOSITION:

Support

Association of California Community College Administrators
Bay Area Council
Board of Governors of the California Community Colleges
College of the Canyons, Santa Clarita
Community College League of California
Glendale Community College District
Inland Empire Economic Partnership
Kern Community College District
Little Hoover Commission
Long Beach Community College District
Los Angeles Area Chamber of Commerce
Los Angeles Community College District
Los Rios Community College District
North Bay Leadership Council
Peralta Community College District
Orange County Business Council
Regional Economic Association Leaders Coalition
San Diego Community College District
San Diego Regional Chamber of Commerce
San Diego Regional Economic Development Corporation
San Gabriel Valley Economic Partnership
San Jose Silicon Valley Chamber of Commerce
Shasta-Tehama-Trinity Joint Community College District

State Center Community College District
Yosemite Community College District
West Kern Community College District

Opposition

California Correctional Peace Officers Association
California Labor Federation
California Teachers Association's Community College Association
Service Employees International Union Local 1000

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