

Date of Hearing: March 19, 2019

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Jose Medina, Chair

AB 532 (Weber) – As Amended March 11, 2019

SUBJECT: California State University Parking Fairness Act.

SUMMARY: Establishes the California State University (CSU) Parking Fairness Act (the Act). Specifically, **this bill:**

- 1) Specifies that the intent of the Act is to ensure that CSU students' parking rates are adjusted so that students' parking rates do not subsidize the parking rates of all CSU staff, faculty, and/or administrators.
- 2) Requires each campus of the CSU to make the purchase price of each student parking permit lower than the purchase price of any campus employee parking permit that is valid for the same date or dates, time period, or time periods, and general location or locations on campus as the student permit.
- 3) Specifies that the parking rates, as enumerated in number (2) above, should be implemented by each CSU campus, no later than the 2022-23 academic year.
- 4) Makes various declarations and findings.

EXISTING LAW:

- 1) Confers upon the CSU Trustees the powers, duties, and functions with respect to the management, administration, and control of the CSU system (Education Code (EC) Section 66606).
- 2) Specifies that CSU parking is a self-supporting program (EC 89701).
- 3) Restricts the CSU from using any moneys received from any campus parking fines exclusively for the development, enhancement, and operation of alternate methods of transportation programs for students and employees, and to mitigate the impact of off-campus employee and student parking (EC 89701.5).

FISCAL EFFECT: Unknown

COMMENTS: *Need for the measure.* According to the author, "The ability for students to afford college continues to be a challenge at the CSU. Apart from tuition, college students incur costs for housing, food, transportation, books and personal expenses". The author contends that, "The high cost of student parking exacerbates college affordability challenges and can pose safety issues when students opt to park off campus".

According to the Cal State Student Association (CSSA), sponsors of this measure, students pay more for parking than any other CSU affiliate (i. e. administrators, faculty and staff). Additionally, CSSA contends that CSU students, unlike CSU affiliates, have no one to negotiate the rates they pay for parking.

The author states, “The price of parking services on CSU campuses has disproportionately been placed on the backs of students for too long”.

This measure mandates that each CSU campus make the purchase price of each student parking permit lower than the purchase price of any campus affiliate parking permit that is valid for the same time period.

Current CSU parking prices. According to information provided by the author, the chart below shows the CSU systemwide average price, per semester, for a parking permit:

CSU Entity	Price for Semester Parking Permit
Student	\$171.81
Administrator	\$166.92
Staff	\$70.00
Faculty	\$68.33

To note, while the systemwide average is included in the table above, Committee Staff understands that some CSU students, at various CSU campuses, pay over \$300.00/semester for their parking permits.

Self-supporting parking. Existing law specifies that CSU parking must be self-supporting. According to the CSU Chancellor’s Office, CSU campuses do not receive state funds to operate or maintain their parking facilities; the parking fees charged by each CSU campus supports the construction and operation of on-campus parking, and, in some cases, the fees are used to pay the debt service on bonds used to finance parking structures.

To note, as a way to address the need for more campus parking, four CSU campuses have recently built more parking structures. Committee Staff understands that, in the case of some of these campuses, if student parking fee revenue was reduced, the campuses would have no other means to make bond payments for these parking structures. This could create and cause a negative credit rating for the CSU.

The Committee may wish to examine, if the parking fee structure changes, who will pay the difference? Will this leave CSU campuses in potential fiscal straits?

Systemwide bargaining agreements. The CSU Employees Union and the California Faculty Association have bargaining agreements in place that include the price CSU employees pay for their parking.

Because the parking fees for CSU employees are under a systemwide bargaining agreement, it appears that parking fees for all CSU affiliates would not likely change.

The Committee may wish to examine if it is sound policy to legislate what the bargaining conversations must include specific to parking fees for CSU employees. That is to say, should the

Legislature mandate that CSU students' parking fees no longer subsidize the parking rates for CSU affiliates?

To note, under existing law, the CSU is not allowed to make a profit off of parking fees.

California State Auditor (CSA) Audit. The Joint Legislative Audit Committee (JLAC) approved an audit on the CSU's parking program, on August 9, 2018. Per the CSA, the audit will provide independently developed and verified information related to the parking program at the CSU. The audit's scope will include, but not be limited to, the following activities:

- 1) Review and evaluate the CSU Chancellor's Office role in overseeing the management and operations of the parking programs at several CSU campuses;
- 2) Evaluate the aspects of the parking program related to setting an enforcing systemwide policies and procedures to ensure compliance with parking program statutes;
- 3) Assess the adequacy of parking available to students, administrators, and employees (faculty and support staff);
- 4) Determine the cost per parking space for each existing parking facility; and,
- 5) Determine whether any parking structures are fully paid for and, if so, whether parking rates decreased as a result.

While JLAC approved the audit request to the CSA, the request did not include a due date for the audit report. However, Committee Staff understands that the audit report should be issued later this year. Additionally, Committee Staff understands that the CSA, will examine and presumably offer recommendations regarding the overall fee structure of the CSU parking program.

Knowing that the CSA is in the process of conducting an audit on the CSU parking program, *the Committee may wish to determine if this measure is premature.*

REGISTERED SUPPORT / OPPOSITION:

Support

Cal State Student Association (Sponsor)

Opposition

None on file.

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