

The Regents of the University of California

**PUBLIC ENGAGEMENT AND DEVELOPMENT COMMITTEE**

September 21, 2022

The Public Engagement and Development Committee met on the above date at the Price Center, San Diego campus and by teleconference meeting conducted in accordance with California Government Code §§ 11133.

Members present: Regents Hernandez, Kounalakis, Ortiz Oakley, Reilly, and Timmons; Ex officio member Leib; Advisory members Ellis, Raznick, Steintrager, and Tesfai; Chancellors Block, Larive, Muñoz, and Wilcox; Staff Advisor Lakireddy

In attendance: Regent Batchlor, Regents Analyst Sheridan, Senior Vice President Colburn, and Recording Secretary Li

The meeting convened at 10:20 a.m. with Committee Chair Reilly presiding.

Committee Chair Reilly announced that this was Regent Ortiz Oakley's last meeting and recognized his service to the University.

**1. APPROVAL OF MINUTES OF PREVIOUS MEETING**

Upon motion duly made and seconded, the minutes of the meeting of July 20, 2022 were approved, Regents Hernandez, Leib, Ortiz Oakley, Reilly, and Timmons voting "aye."<sup>1</sup>

**2. UNIVERSITY OF CALIFORNIA, SAN DIEGO IN THE COMMUNITY**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Chancellor Khosla stated that UC San Diego, known as a premier destination for higher education, scientific research, and patient care, was also striving to be such for arts and culture for the greater San Diego community. A new light rail line now connected UCSD with the surrounding community. Chancellor Khosla introduced the speakers.

Fonna Forman, Director of the UCSD Center on Global Justice, stated that, in recent years, the Center has pivoted from global to more regional work as climate change has intensified poverty and violence, conventional drivers of displacement. According to a United Nations survey, 72 percent of migrants at the U.S. southern border were agricultural workers. Because these individuals were regarded as economic migrants rather than refugees, they were not entitled to refugee protection under the Geneva Convention, leaving local agencies carrying a heavy load. The UCSD Community Stations were sanctuary spaces on

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<sup>1</sup> Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code §11123(b)(1)(D)] for all meetings held by teleconference.

both sides of the San Diego–Tijuana border, where UC researchers and community-based organizations collaborate on research, education, and cultural activity. Capital funding was 75 percent complete, and each of the four Community Stations was a public-private enterprise. The UCSD EarthLab Community Station, a partnership with the San Diego Unified School District and the nonprofit organization Groundwork, was an outdoor education park located in a primarily Black and Latino(a) community in Southeast San Diego. The four-acre site was provided by the School District and within walking distance of eight public schools. Groundwork managed and operated the site, while UCSD provided research, programming, and undergraduate student mentors. Some 3,000 children and their families visited EarthLab annually. The UCSD-CASA Community Station, located in San Ysidro, offered ten units of affordable housing and arts and culture spaces, the latter of which would be operated in partnership with UCSD performing arts departments. San Ysidro was a busy land-crossing region with some of the worst air quality and health impacts in the state. UCSD provided grants and philanthropy, and the nonprofit Casa Familiar qualified for a \$9 million new market tax credit. The UCSD-DIVINA Community Station was located at Laureles Canyon in Tijuana, where there was an informal settlement of 100,000 people. This area, which was susceptible to flooding and landslides, demonstrated a need for binational collaboration. The UCSD-ALACRÁN Community Station was a refugee sanctuary for about 350 people and offered spaces for fabrication, vocational training, and farming. Located in the Alacrán Canyon in Tijuana where thousands of refugees were settling, it was being developed in partnership with the faith-based organization Embajadores de Jesus. A new elementary school was planned, as was a clinic operated by the UCSD School of Medicine and the Autonomous University of Baja California School of Medicine. The Center was training hundreds UCSD students to engage in tremendous human struggle in close proximity to campus. Ms. Forman thanked the Andrew W. Mellon Foundation and the late Regent Richard Blum for their investments.

Patty Maysent, Chief Executive Officer of UCSD Health, stated that UCSD Health has operated Hillcrest Medical Center (Hillcrest) as a safety net hospital for the community. She provided examples of UCSD Health's strong relationship with San Diego County. At the onset of the COVID-19 pandemic, UCSD Health took patients from Wuhan, China at the request of the County. UCSD Health launched the first COVID-19 vaccination superstation in the state, and faculty provided health care to refugee children at the U.S.-Mexico border. UCSD Health has sent physicians to Tijuana and Mexicali to train healthcare providers there. Hillcrest was taking additional trauma patients from the growing number of accidents at the border wall. UCSD Health had a ten percent market share of patients and provided care to 13.4 percent of Medi-Cal patients. With a Medi-Cal subsidy of about \$90 million per year, the compensation model was now payer-blind so that physicians would have no disincentive to provide care. UCSD Health was itself subsidizing government payers by nearly \$600 million per year. Ms. Maysent shared Hillcrest's role in the community. Owen Clinic opened in 1983 as the first clinic for gay men during the AIDS epidemic and has continued to serve the LGBTQ community. Hillcrest had the only burn center serving all of San Diego and Imperial Counties, as well as a Level 1 Trauma Center. The \$3 billion Hillcrest Redevelopment Plan would replace 38 buildings, enable UCSD Health to expand its comprehensive cancer care in the community, and provide multi-family housing. Ms. Maysent emphasized the difficulty of

this project. Without a revenue stream that is able to handle the debt load, UCSD Health was working with donors, the campus, the Office of the President (UCOP), and the State to create a debt structure.

Nick Macchione, Director of the San Diego County Health and Human Services Agency, shared how the County and UCSD demonstrated a commitment to health equity. The first COVID-19 vaccine superstation in the state was placed at the epicenter of the homeless population, where access to care was challenged. Wastewater was being tested at all schools. With UCSD's leadership, training, and support, San Diego became the first jurisdiction to have geriatric emergency rooms in every hospital. Rural and inland communities now had a geriatric emergency room close to them. UCSD Health was developing a continuum of care in response to the growing behavioral health needs in the community. Those experiencing mental health issues often had physical health and other needs, so behavioral health services were being developed with an inpatient and outpatient element. Mental health services made up the largest part of his agency's \$3 billion budget.

Laurie Black, longtime UCSD advocate and community leader, underscored UCSD Health's commitment to healthy communities. Hillcrest worked with government, schools, social service agencies, and religious organizations to meet community needs. Ms. Black credited UCSD Health for prolonging her late husband's life and improving his quality of life after his cancer diagnosis. In her view, effective and sustainable hospital-community partnerships were crucial to building a healthy society regardless of people's backgrounds or circumstances. Ms. Black noted UCSD Health's commitment to uninsured and underinsured patients and her vocal advocacy of the Hillcrest Redevelopment Plan. As a member of the Hillcrest Medical Center Long Range Development Plan Community Advisory Council, she has helped gather best practices in identifying community health needs, potential partners, and sustainable partner structures. The Hillcrest Redevelopment Plan has brought organizations together and revitalized longstanding partnerships. Through outreach, stakeholders who were deeply invested in their own neighborhoods were now active participants in the project. The Hillcrest Redevelopment Plan would bring healthcare access closer to communities in South San Diego.

Ms. Maysent added that UCSD began community engagement for the Hillcrest Redevelopment Plan in 2017 through open houses and town hall meetings. The campus worked with elected officials and businesses and has received support from the community.

Regent Timmons asked about undergraduate, graduate, and postdoctoral involvement in the Community Stations. Ms. Forman replied that the Community Stations' paid internship programs garnered much interest from students and were very competitive. Undergraduate students worked together to address challenges in supervised, cross-disciplinary research teams. Graduate students worked as mentors and advanced their own research. Every year, 50 to 75 undergraduate students participated in these internships.

Regent Leib praised Chancellor Khosla, Ms. Maysent, and the San Diego County Board of Supervisors for their efforts in transforming the region. He asked how Regents could help. Ms. Maysent replied that UCSD was working with UCOP to identify debt instruments for

the Hillcrest Redevelopment Plan and would appreciate support with regard to philanthropy. She foresaw the need for local, State, and federal support.

Regent Ortiz Oakley, noting the University's many international initiatives, asked about how UC could involve all ten campuses in its engagement with Mexico. Chancellor Khosla noted that about 150 students from Mexico attended UCSD every summer, and the campus also had multiple collaborative relationships with Mexican universities. Chancellor Wilcox stated that the UC-Mexico initiatives had been regarded as separate entities before then President Janet Napolitano combined them into Alianza MX, which UC Riverside managed, for better leverage and equity. Alianza MX staff have traveled to Mexico.

Chancellor Khosla concluded the discussion by recognizing the contributions of the 30,000 staff members, 2,000 faculty members, 43,000 students at the San Diego campus.

### 3. **FEDERAL GOVERNMENTAL RELATIONS UPDATE**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Associate Vice President Chris Harrington provided an overview of recent federal actions affecting the University. In August, U.S. President Biden announced the Student Debt Relief Plan, which forgave up to \$20,000 in federal loans for Pell Grant recipients and up to \$10,000 for non-Pell Grant recipients. Qualifying borrowers must have an individual income under \$125,000 or a household income under \$250,000. The Office of the President estimated that, for 61,000 current UC students, up to \$513 million in loans taken out prior to June 30 could be forgiven, and up to \$2.4 billion in loans could be forgiven for nearly 200,000 former students. Federal Governmental Relations (FGR) was working with its UC and intersegmental partners to disseminate information about debt relief.

With less than ten days until the end of the federal fiscal year, no appropriations bills have been signed into law, and short-term spending bills were expected to keep the federal government operational. of the \$12 billion in UC priorities was on track to be funded at robust levels. In late summer, the U.S. Congress passed the Chips and Science Act, which the bill authorized funding increases for the National Science Foundation (NSF) to strengthen its diversity and technology transfer programs, as well as for the U.S. Department of Energy (DOE) Office of Science. FGR was working to ensure that funding for these programs remain in the final agreement. Congress also passed the Inflation Reduction Act, a \$300 billion deficit reduction package that aimed to reduce prescription drug prices, extend Affordable Care Act subsidies, and address climate change. Funding was also announced for DOE Office of Science laboratory infrastructure and for the National Oceanic and Atmospheric Administration toward conservation and restoration of marine habitats. UC campuses were well positioned to compete for these research dollars.

The U.S. Department of Education released proposed Title IX rules and was working to increase participation in the Public Service Loan Forgiveness Program, and federal guidance to expand taxpayer-funded research was also released. FGR continued to

advocate the doubling of the Pell Grant, support for biomedical research, mental health resources, and a legal path to citizenship for Deferred Action for Childhood Arrivals (DACA) program recipients. FGR was also monitoring the midterm elections for potential impact on the California Congressional Delegation, key committees, and UC priorities.

Regent-designate Raznick asked if FGR would be working with alumni associations to raise awareness of debt relief. Mr. Harrington replied in the affirmative.

Committee Chair Reilly ask about the average debt of a UC graduate and how that compared with other institutions. Mr. Harrington replied that average debt was currently \$19,500. Executive Vice President and Chief Financial Officer Brostrom replied that this was \$10,000 below average. Mr. Harrington stated that the Student Debt Relief Plan could have an impact on more than three million Californians.

#### 4. **STATE GOVERNMENTAL RELATIONS UPDATE**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Associate Vice President Kieran Flaherty began his remarks by clarifying that the University did not take a position on Senate Bill (SB) 1334, a bill pertaining to meal and rest periods for hospital employees that was mentioned during the public comment period. He stated that the Legislature completed its work at the end of August, and Governor Newsom must sign or veto bills by September 30. Mr. Flaherty expressed gratitude to the Legislature and the Governor for passage of the UC-sponsored SB 1299 to extend the California State Summer School for Mathematics and Science program. UC also sought Governor Newsom's signature for SB 883, which would extend the Umbilical Cord Blood Collection Program. SB 960, which would allow non-citizens to work as peace officers, was awaiting the Governor's signature, as was SB 912, a bill co-authored by the University that would require coverage of biomarker testing and genetic sequencing in health insurance plans including Medi-Cal. UC supported five bills related to reproductive rights, including one that would prohibit the arrest of individuals performing and obtaining an abortion, one related to civil liability in the event of an abortion, and one that would revise the Nurse Practice Act. Mr. Flaherty thanked UC Health its help with bill analysis.

The University was requesting a veto of SB 1364 because it would be counterproductive to existing Regents Policy that prohibited outsourcing except in cases of emergency or where UC did not have the capability to provide services. The policy also included the opportunity to insource workers. The Legislature passed a second budget trailer bill, which allocated \$389 million to UC for affordable student housing and applied to six UC campuses. Per this trailer bill, the Legislature planned to provide a total of \$1.8 billion through the Revolving Loan Fund. An amount of \$5 million was added to the Office of Business and Economic Development for the Alliance for Renewable Clean Hydrogen Energy Systems. The Regents would be voting on whether to establish a limited liability company that would help the State realize some of the \$8 billion in federal monies allocated to hydrogen hubs.

Regent Leib asked if the University was asked to support SB 1334. Mr. Flaherty replied in the negative, adding that many hospital systems were asked if they would be opposed to the bill. UC did not wish to support bills related to matters that were within the purview of collective bargaining, such as wages, benefits, and workplace conditions. The contract between the University and the California Nurses Association addressed those issues.

Regent Leib stressed that UC would never outsource to save money; Regents policy prohibited this. As a result of the policy, he believed that the University has missed opportunities with women- and minority-owned businesses, which could provide the services that unions could not provide. Mr. Flaherty remarked that the Regents Policy removes the economic incentives for outsourcing because of wage and benefit parity and allowed a pathway for qualified individuals to be offered permanent employment at UC. SB 1364 seemed counterproductive for the University.

Regent Hernandez asked why a 30-minute break for every five hours of work could not be included in UC labor contracts so that there would not be a need for such a bill.

Regent Hernandez asked whether the \$389 million for affordable student housing would be split among the six campuses or if it would be part of the Revolving Loan Fund. Mr. Flaherty replied the Revolving Loan Fund was separate, and the \$1.8 billion that was anticipated would be subject to an application process. With regard to the \$389 million, \$65 million was for UC Irvine, \$89 million for UC Santa Cruz, \$100 million for UC Berkeley, \$35 million for UCLA, \$100 million for UC San Diego, as well as a \$500,000 planning grant for UC Merced and Merced College. These funds were accessed through applications gathered by the California Department of Finance.

Regent Hernandez asked how these amounts were decided. Mr. Flaherty responded that the amount that campuses requested was not necessarily what they received. Chancellor Wilcox noted that UC Riverside received no allocation despite applying. Senior Vice President Colburn offered to provide further explanation of the process after the meeting.

Regent Kounalakis stated that, despite the tremendous efforts of this Committee, the Legislature continued to see outsourcing through a very different lens and was voting accordingly. The University needed a strategy to ensure that legislators fully understood UC's perspective. She was told by at least one other member of this Committee that they did not know that the Legislature was considering this issue again. Regent Kounalakis made herself available to be part of conversation.

Regent Ortiz Oakley explained that this Committee was created to engage with the community and improve UC's relationship with the Legislature, a relationship that has since improved but could backslide without maintenance. He asked if SGR had the resources it needed to maintain a positive relationship between UC and the Legislature. Mr. Flaherty replied in the affirmative. In response to Regent Kounalakis' comments, he stated that there was a profound disagreement regarding outsourcing. The University could employ a fresh strategy. Mr. Flaherty expressed gratitude to Mr. Colburn as External

Relations and Communications was now more collaborative, efficient, and responsive. He believed that much progress has been made with the unions due to new leadership in Labor Relations.

5. **CONVERSATION WITH ASSEMBLYMEMBER CHRISTOPHER WARD**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Reilly introduced State Assemblymember Christopher Ward. He was elected in 2020 and served as the Assistant Majority Leader of the Assembly. Previously, he served on the San Diego City Council and focused on housing, homelessness, economic development, and the environment.

Assemblymember Ward stated that he was one of seven Assemblymembers representing the San Diego region. He shared that he moved to California when he was 22 to work as a researcher at UC San Diego, and he regarded the campus as an employment hub. As a policymaker, he had to be attentive to both higher education and workforce needs. In this last legislative session, he advanced 11 bills to Governor Newsom's desk for signature. His priority areas included housing, homelessness, climate and environment, water, and labor and employment. He expressed excitement about the recently signed Assembly Bill (AB) 2316, which would bring community solar and storage programs to the San Diego region, and noted the green energy and energy storage facilities on the San Diego campus. He was working to bring more solar and storage programs to low-income households and renters. Assemblymember Ward acknowledged UC advocacy efforts, adding that the State Legislature has worked hard to meet the University's needs. Aside from focusing on expanding student access, equity, and affordability, as well as pathways to high-demand career opportunities, the Legislature has made one-time investments, such as \$100 million toward Pepper Canyon West Living and Learning Neighborhood at UCSD and \$2 billion toward the light rail extension, which would connect the campus with downtown San Diego as UCSD works to create a presence there. The Legislature was able to provide a five percent increase to UC's base funding due to available revenue, and was connecting the State's goals with UC priorities, such as technology and innovation in climate action. Assemblymember Ward praised UCSD for its community engagement regarding the Hillcrest Redevelopment Plan. He noted the effect that the cost of housing, childcare, and healthcare had on graduate students and healthcare workers.

Regent Timmons asked about the likelihood of the State resuming its funding stream to UC. Assemblymember Ward acknowledged that, over the last several decades, the State has not achieved the intent of the California Master Plan for Higher Education, which he also believed needed to be updated. He has supported proposals to increase the General Fund with guarantees for higher education systems. The State would continue to prioritize this as resources and the economy allow and would work toward more certainty for UC.

Regent Leib asked Assemblymember Ward for his thoughts about Proposition 13, the State bond measure that failed to pass in 2020. Associate Vice President Kieran Flaherty stated

that the measure proposed \$15 billion in funding for pre-kindergarten through higher education. Assemblymember Ward noted that he had not yet been elected when this measure was on the ballot but stated that he would be prepared to support such a measure as an incumbent legislator. He opined that the Gann limit, a State constitutional spending cap, needed to be revised. The failure of Proposition 13 could have been the result of misinformation from other campaigns or a saturation of other revenue proposals.

Regent Hernandez asked if the State had plans to provide additional financial assistance or the equivalent of federal work-study to undocumented students who could not qualify for the Deferred Action for Childhood Arrivals (DACA) program. Assemblymember Ward replied that there were many resources and programs supporting all Californians, including those who had undocumented status. He praised Governor Newsom's leadership in funding Medi-Cal such that it could cover undocumented Californians. The State wished to provide support to undocumented students as well.

Regent-designate Raznick asked Assemblymember Ward what perception his constituents had of the value that the University provides to the community and the value of UC's partnership with the State. Assemblymember Ward replied that, in general, there was very high regard for UC San Diego's presence and contributions to the local economy and future generations. Constituents have called for improving access to UCSD for all San Diegans.

Regent Reilly asked Assemblymember Ward what he thought would be the greatest challenges that the state would face in the coming year. Assemblymember Ward responded that challenges included preventing a recession and reduced State revenues. One hoped that continued, targeted investment would benefit the revenue streams that support the University. Other challenges included cost of living, homelessness, and climate change.

Regent-designate Tesfai asked how graduate students could be supported. Assemblymember Ward stated that UC must ensure that graduate students feel included in discussions at the campus and systemwide level. He would support ways to meet graduate student needs through the State budget.

The meeting adjourned at 12:15 p.m.

Attest:

Secretary and Chief of Staff