CSU trustees OK raising tuition if ballot measure fails

By LARRY MITCHELL - Staff Writer
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LONG BEACH -- Tuition at Chico State University and other campuses of the California State University will rise by $150 a semester if voters don't approve a tax increase on Nov. 6, it was decided Wednesday.

The CSU board of trustees voted 11-3 to approve what officials called a "potential" tuition increase. The fee hike would take effect only if voters reject Proposition 30, which would raise certain taxes. Student trustee Jillian Ruddell of Chico State was one of three people who voted against the increase, said Mike Uhlenkamp, a spokesman for the CSU.

Also at Wednesday's meeting, the board voted to try to save money by having CSU employees pay a larger share of health insurance premiums. For employees who belong to unions, that would require collective bargaining, Uhlenkamp said. According to a CSU news release, university employees on average pay 5 percent of the cost of health insurance premiums while those who work for most state agencies pay more than 20 percent. Uhlenkamp said trustees would like to have CSU employees pay 20 percent of premium costs. If that happened, it would save the CSU $70 million for 2013-14.

Uhlenkamp said these premiums cost the CSU $356 million in the 2011-12 academic year. Premiums have gone up by $60 million since 2007, and they are due to rise by $36 million next year, he said.

"We think that fee hikes and cuts to employees are just two more reasons voters need to support Proposition 30," said Alice Sunshine, a spokeswoman for the professors' union, California Faculty Association, in a phone interview.

Proposition 30, proposed by Gov. Jerry Brown, would temporarily raise the sales tax by a quarter cent and also increase the income tax for people making $250,000 a year or more. Designed to raise revenue for a number of purposes, the tax increases would last for seven years.

Since 2007, state funding for the CSU has been cut by $1.2 billion million.
Now, the CSU faces a possible $250 million cut in funding if Proposition 30 fails. The possible increase in tuition is a precaution in case that happens.

The 5 percent boost would raise tuition by $300 to $6,270 per year. It would bring the CSU system about $58 million during the 2012-13 academic year.

The board on Wednesday also voted for another possible plan of action relating to tuition and Proposition 30. Under this plan, if Proposition 30 passes, the trustees would "roll back" a tuition increase of $500 per year that went into effect at the start of the current semester. Uhlenkamp said under this plan, students could get a tuition refund, a credit to be used for future tuition, or they might have their financial aid adjusted.

By approving this plan Wednesday, trustees agreed to a deal offered in this year's state budget. That is if the CSU rolls back the $500-per-year tuition hike, it would receive an extra $125 million from the state for the next academic year. By rolling back the tuition increase, the CSU would lose $132 million. While the CSU would lose money, Uhlenkamp said the committee recommended the plan to benefit students.

Trustees postponed until November taking action on several additional fee-policy changes relating to access to classes and reduced time to graduation.

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