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May 6, 2014

The Honorable Mike Gatto  
Chair, Assembly Appropriations Committee  
State Capitol, Room 2114  
Sacramento, CA 95814

**Re: AB 1834 (Williams), as amended April 24, 2014**  
**Scheduled for Hearing in the Assembly Appropriations Committee on May 7, 2014**  
**Position: OPPOSE**

Dear Chair Gatto:

Regretfully, I am writing to inform you that the University of California (UC) has adopted an *oppose* position on AB 1834 (Williams), a measure which seeks to amend the Higher Education Employer Employee Relations Act (HEERA) to create collective bargaining rights for UC's graduate student researchers (GSRs).

The University has reached this view after careful and deliberate consideration. In fact, though the University had opposed measures essentially identical to AB 1834 in both the current and previous legislative sessions, UC President Janet Napolitano reached out to the author upon introduction of this year's measure to discuss UC's concerns. Based on that discussion, President Napolitano agreed to engage with the University of Washington to understand its experience with graduate student collective bargaining and its applicability to UC and California. That due diligence has now been accomplished, and after careful review and consideration of the ways this measure would impact our institution, the University has formally adopted its *oppose* position.

We believe this bill would severely impair the University's ability to excel in its mission of teaching, research and service and undermine UC's competitiveness as a world-renowned research university. The Public Employees Relations Board has held for over 20 years that the work conducted by GSRs is part and parcel of their education, and thus, these students are not eligible for collective bargaining. By overturning this ruling, we believe AB 1834 would fundamentally alter the relationship between faculty members and student researchers from one of *mentor-mentee* to *employer-employee*. By conducting research as a GSR, the student is participating directly with faculty in the primary purpose of doctoral education—to do research at a high level of competency. Thus, graduate research is not “work” in the traditional employment sense because, although these students receive wages in exchange for their work, that work is conducted as part of their educational pursuits.

### **Financial Impact**

In addition to our fundamental disagreement over the policy merits of the measure, we would note that there would be substantial financial costs to the University associated with the implementation and ongoing administration of AB 1834. UC has calculated the initial cost to the University to be between ***\$10 million*** and ***\$18 million*** – comprised of 1) additional costs to manage the collective bargaining process with a new cohort of employees, 2) additional costs to administer the contracts and 3) anticipated compensation costs associated with likely salary increases. Additional detail on each of these three elements is provided, as follows:

**Collectively Bargaining Costs:** Based on a recent example of the bargaining expenses needed to reach an agreement with postdoctoral scholars, the University estimates the cost to collectively bargain a potential GSR agreement at \$639,000 (this estimate includes expenses for negotiators/assistant negotiators, faculty representatives and campus labor relations representatives).

**Administrative Costs (Increase FTE):** Anticipated costs to administer a GSR contract, based on the actual campus costs that have been incurred to administer a similar contract with UC post-doctoral researchers - \$1,689,784.

**GSR Compensation Costs:** Although all of these costs would be negotiable pursuant to the collective bargaining process, UC anticipates that during negotiations UAW would negotiate for the University to cover the costs of dues, as well as board range adjustments to their salary scale:

- The system-wide earnings of GSRs was \$199,362,668 during 2009-2010, and thus the projected system-wide new union dues costs (@1.15%) would be \$2,292,671.
- The projected increase in salary costs for UC (assuming an increase in compensation as a result of collective bargaining) in the range of 3 percent to 7 percent - \$6,049,660 - \$14,115,874.

In light of the costs outlined above, we anticipate initial costs in the range of over \$10 million in the event a future GSR contract were to call for a 3 percent compensation increase – and over \$18 million in the event a new GSR contract were to call for a 7 percent compensation increase.

### **Negative Impact of Fundamental Change in Faculty-Student Relationship**

As a major research university, UC seeks to form a graduate student body that has the training and experience necessary to assume its function as the next generation of faculty, researchers and other professionals. The faculty-student research relationship differs from the employer-employee relationship. While faculty do teach their graduate students in a classroom setting, they also teach them by collaborating on research. As mentor in this relationship, faculty provide graduate students with opportunities to learn uniquely from the process and serving as a GSR is a valuable tool of preparation for the graduate program qualifying examinations and the preparation of the student's dissertation.

Research is not “work” in the traditional employment sense, in that it does not represent an exchange of wages for services. By conducting research as a GSR the student is participating directly with faculty in the primary purpose of doctoral education: to do research at a high level of competence. Supplanting the student-faculty relationship with a labor-management relationship could negatively affect UC's ability to attract renowned faculty and talented graduate students. The University would anticipate the loss of faculty drawn to other institutions that enjoy less restrictive relationships with their graduate students. Further, AB 1834 would diminish UC's ability to attract the best graduate students due to new work restrictions that would increase the time it takes to earn a graduate degree at UC.

### **Increase in Time Required for Students to Complete Their Degree**

AB 1834 includes a provision stating that what is required for students to achieve satisfactory progress toward their degrees does not fall under the “scope of representation” for the purposes of collective bargaining. However, wages, hours of employment, and other terms and conditions of employment, clearly do fall under the “scope of representation.” Academic research is unique in that individual discoveries do not follow a set timeline and hours of employment and other terms and conditions that could be negotiated through collective bargaining could ultimately increase the time required for students to complete their degrees.

Faculty, whose grants in large part fund these student positions, may begin to shy away from hiring GSRs if they become subject to the same or similar employment restrictions as teaching assistants (TAs). For example, if the terms of a contract require a period of employment of one year, but a faculty project provides funding for only six months, the effect will be to preclude faculty from selecting graduate students for the work. Additionally, the hours typically worked as a GSR are not based exclusively on the goal of obtaining a work result within a specified time frame, as with TAs. Instead, the time spent on research is often determined solely by the student in an effort to control her/his time-to-degree and to expedite the conclusion of the research to achieve her/his educational objectives.

Because AB 1834 fails to recognize these distinctions, the time that GSRs would otherwise devote to their dissertation research could be in direct conflict with the workload provisions of a union contract. The insertion of collective bargaining into the process could—through negotiated GSR hours and pay—lengthen the average time it takes for graduate students to receive their degree.

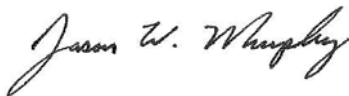
### **Graduate Student Researchers Benefits.**

UC provides significant benefits to GSRs, which is one of the reasons that UC is able to compete for the most promising graduate students. In fact, there are significant similarities between the benefits packages between and GSRs and other graduate students, including health insurance, childcare, tuition/fee remission, and paid holidays. Further, in response to inquiries from the Legislature last year, UC reviewed the benefits provided to GSRs. As part of UC's commitment to support students in their academic pursuits, UC campuses began helping graduate student researchers cover the cost of childcare this past fall. UC understands that some GSRs are parents who juggle school and family life. The University also recognizes that rising childcare costs can pose a significant financial burden for students, which can affect their academic focus. UC has traditionally offered this childcare benefit to union-represented Academic Student Employees (ASEs, including teaching assistants, tutors and readers), and believes it will provide much-needed financial aid and support for GSRs. Inasmuch as this issue was raised as part of the rationale for AB 1834 in its prior iteration, we believe that this decision to extend child care benefits to GSR's addresses those inequities that were cited.

In response to concerns about graduate students losing benefits as they move between employment categories, very few graduate students move between positions as ASEs and GSRs; in fact, between 2012 and 2013, of the 11,745 ASEs within the University, less than 1% (95 individuals) also held a GSR position that same year. Similarly, with respect to the 8,800 GSRs at the University during that same year, less than 4% (343 individuals) also held an ASE position.

Thank you for your consideration of the University's views. Should you have any questions regarding the University's position on AB 1834, please do not hesitate to call me at (916) 445-9924.

Sincerely,



Jason Murphy  
Legislative Director

cc: Assembly Member Williams  
Members, Assembly Appropriations Committee  
President Janet Napolitano  
Provost and Executive Vice President Aimée Dorr  
Senior Vice President Daniel Dooley  
Associate Vice President and Director Steve Juarez