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March 27, 2017

The Honorable Tony Thurmond
Chair, Assembly Committee on Labor and Employment
1020 N Street, Room 155
Sacramento, CA 95814

RE: AB 387 (Thurmond), as introduced February 9, 2017
Set for hearing in Assembly Labor and Employment March 29, 2017
Position: OPPOSE

Dear Chair Thurmond:

The University of California (UC) regrets to inform you that we are opposed to AB 387. This bill would expand the definition of employer in statute to include a person who exercises control over the wages, hours, or working conditions of a person engaged in a period of supervised work experience to satisfy requirements for licensure, registration, or certification as an allied health professional, as defined. In this way, AB 387 would make California's minimum wage requirement applicable to time spent in clinical or experiential training required for various allied health professional classifications.

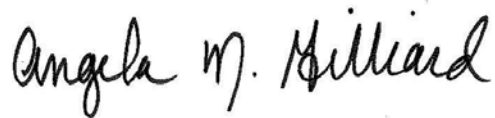
UC considers allied health pipeline programs part of our teaching and public service mission and supports the objective of increasing employment in the allied health professions. UC also supports the goal of ensuring that students from low-income and disadvantaged backgrounds have a viable pipeline for opportunities to join the allied health professions. Through various affiliation agreements UC medical centers partner with numerous allied health professional workforce pipeline programs. These programs provide hundreds of students with the required training to fill much needed industry positions. For example, one of the UC medical centers estimates that it provides approximately 300 externships for a variety of allied health trainees per year.

However, transitioning students enrolled in these programs to employment status would significantly decrease the availability of these programs because of associated increased cost. Early fiscal estimates indicate substantial cost associated with hiring more full-time employees in human resources and health services. UC medical centers, like many other hospitals, are operating within slender financial margins and under considerable pressure to reduce costs.

AB 387 would result in fewer externship opportunities for allied health students to fulfill their clinical requirements consequently, delaying their entry into the workforce and access to the high value jobs in the health care industry.

For these reasons, UC respectfully opposes AB 387. Should you have any questions about our position, we would be pleased to speak with you. Please to do not hesitate to contact me at (916) 445-9924.

Sincerely,

A handwritten signature in black ink that reads "Angela M. Gilliard". The signature is written in a cursive, flowing style.

Angela M. Gilliard, JD
Legislative Director

cc: Vice Chair and Members, Assembly Committee on Labor and Employment
President Janet Napolitano
Executive Vice President and CFO Nathan Brostrom
Executive Vice President John Stobo
Senior Vice President Nelson Peacock
Interim Associate Vice President, Kieran Flaherty