

**Lloyd E. Rigler - Lawrence E. Deutsch
Foundation**

September 30, 1997

Pete Wilson
Governor of California
State Capitol
Sacramento, CA 95814

Attn: Sean Walsh

Re: Domestic Partner Benefits
at University of California

Dear Governor Wilson:

I am a long-time benefactor of the University of California. I endowed the Leo G. Rigler Center for Radiologic Studies and have supported research at the dental school at U.C.L.A. As a major benefactor, I am concerned about the prosperity of the University.

I am writing to urge you to support the extension of benefits to domestic partners of university employees. However, I would like to make it clear that I do not support President Atkinson's proposal to limit such benefits to same-sex couples only. That would be blatant sex discrimination.

Last month, I wrote a letter to former Chancellor Charles Young about this issue. I will not repeat my comments to him in this letter, but I invite you to read them. My letter to Chancellor Young can be found at the front of the packet of materials which I have enclosed.

The resource materials in the enclosed booklet show that it is economically feasible and politically possible for the University of California to revise its benefits program to eliminate unfair discrimination.

These materials show that health care costs only rise about 1% on average when benefits are extended to domestic partners of the opposite-sex and same-sex. The public supports such an extension of health benefits. There is growing support from religious leaders. A plan can be adopted that is legally sound and politically feasible. Please take some time to review these resource materials. This is an important decision and it deserves your thoughtful consideration.

The University of California should look at three models: Bank of America, Xerox, and Catholic Charities in San Francisco. Each of these employers has found a way to eliminate discrimination against unmarried workers.

LEDLER Foundation

*Board of Regents
University of California
September 30, 1997
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The Bank of America approach is very good. It is called "extended family benefits" and gives benefits to any one adult member of the employee's household, whether a spouse, a domestic partner, or a blood relative under 65 years old who is dependent on the employee. It defines domestic partners without regard to the gender of the parties. It includes some restrictions to avoid possible fraud and abuse. This is an inclusive model which the University of California could adopt.

Xerox is planning to implement the most fair benefits program of any that I have ever seen. It will treat all workers, single or married, the same. Each worker who is in the same job classification and pay range will get the same amount of credits for the benefits program. The employee can then use those credits in the way that best meets his or her personal or family needs. Xerox will not reward or punish employees on the basis of their marital status or family configuration. This is truly "equal pay for equal work" and a compensation system based on merit and productivity. In the interim, Xerox provides a subsidy to employees who have a domestic partner or other adult dependent to purchase health insurance coverage for them. UC could adopt a two-step phase-in of this type.

Catholic Charities has complied with the San Francisco domestic partnership law, although under a different name. Catholic Charities will extend health and other benefits so that each employee can select one beneficiary who is a bone fide member of his or her household. It could be a spouse, a domestic partner, or a blood relative.

The University could start with the Bank of America approach, and work toward a cafeteria-style system such as the one Xerox plans to implement. The approach used by Catholic Charities probably would not work for a large employer. There is a potential for fraud and abuse in its program since Catholic Charities does not have restrictions such as requiring a joint residence for at least six months or a requirement that the partners share the common necessities of life.

You can get an excellent overview of the economic, political, and religious perspectives by reading the two-page table of contents of the enclosed booklet. Each section of the table of contents has a short commentary that summarizes the substance of the materials in that section.

Thank you for taking the time to consider my suggestions. If you need further detailed information, I would suggest that you contact Thomas F. Coleman at Spectrum Institute. He is a leading expert on domestic partnership issues, and Spectrum has a comprehensive collection of relevant materials regarding domestic partner benefits. Mr. Coleman can be reached at: (213) 258-8955.

Best regards,



Lloyd E. Rigler



OCT 17 1997

GRAY DAVIS
LIEUTENANT GOVERNOR

STATE OF CALIFORNIA
OFFICE OF THE LIEUTENANT GOVERNOR

October 14, 1997

Lloyd E. Rigler
P.O. Box 828
Burbank, CA 91503-0828

Dear Mr. Rigler

Thank you for the information regarding the University of California's proposal to extend benefits to domestic partners. This information will be very helpful to me as I consider this important issue.

I have passed the information along to my staff in Sacramento for a follow up. Please feel free to contact Ann Patterson at (916) 445-8994 if you have any additional information or concerns.

I appreciate the time you took to write. Thank you.

Sincerely,

GRAY DAVIS

GD:rs

UNIVERSITY OF CALIFORNIA

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October 20, 1997

OCT 23 1997

Mr. Lloyd E. Rigler
LEDLER Foundation
Post Office Box 828
Burbank, California 91503-0828

*from the
have to try &
along with this
means, on
same day only*

Dear Mr. Rigler:

Thank you for your letter of September 30 *refits to the*
domestic partners of University of California employees. *the materials you sent*
were very informative, and I have shared them with our Senior Vice President--
Business and Finance, V. Wayne Kennedy. As you may know, the extension of
domestic partner benefits will be considered by the Board of Regents at its Novem-
ber meeting.

During the many months of consultation and development of our proposal, a wide
range of options was discussed regarding domestic partner benefits. Our decision
to limit the proposal to health benefits for same-sex domestic partners was based on
several factors, among them our desire to remain competitive with similar institu-
tions. Most of the universities with which we compare ourselves for salary purposes
offer health benefits to same-sex domestic partners only. I would also like to point
out that under certain circumstances the University's retirement plan already
allows a plan member to designate anyone he or she chooses--including a domestic
partner--to receive retirement benefits.

I appreciate your taking the time to write and share your views. I also want to tell
you how much we appreciate your generosity. We are very grateful for your contri-
butions to and support of the University, especially the Los Angeles campus.

Sincerely,

Richard C. Atkinson
President

cc: Chancellor Carnesale
Senior Vice President Kennedy

SPECTRUM INSTITUTE

A Non-Profit Corporation Promoting Respect For Human Diversity

November 12, 1997

Pete Wilson
Governor of California
State Capitol
Sacramento, CA 95814
Attn: Sean Walsh

*Thomas F. Coleman
Executive Director
Family Diversity Project*

Re: Additional information concerning domestic partner
benefits proposal for November meeting of Regents

Dear Regent Wilson:

Mr. Lloyd Rigler, a benefactor of the University of California, sent you a letter last month concerning domestic partner benefits for university employees. He also sent you a booklet prepared by Spectrum Institute containing information to help the Board of Regents as it discusses this important issue.

I have come across some additional information which Mr. Rigler has asked me to share with you prior to the meeting of the Board of Regents later this month. Appropriate documentation is attached to this letter.

Labor Commissioner Ruling. The labor commissioner has just ruled that a public employer may not exclude opposite-sex couples from a domestic partner health benefits program. Limiting participation to same-sex partners is illegal sexual orientation discrimination in violation of state law.

University of Southern California. Effective September 1, 1997, the USC Trustees approved a health-care plan for faculty and staff who have a "mutual financial dependent." The health coverage is available to same-sex and opposite-sex partners who qualify under established criteria.

Local School Districts. A recent survey done by the San Mateo Teachers Association shows that at least 20 school districts in California are now offering health benefits for domestic partners.

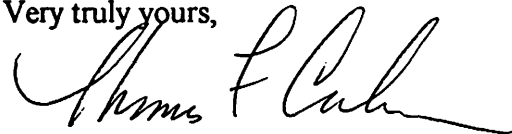
Enrollment projections. According to a July 1, 1997 report from the President's office, the Benefits Office estimated that between 4% and 8% of employees would sign up for a health benefits plan if it included same-sex and opposite-sex domestic partners. The projected increase in health care costs was based on this estimate. Reliable data gathered by Spectrum Institute suggests that the projection of the Benefits Office is seriously overestimated. A recent survey of 12 local government employers in California shows that, on average, the actual enrollment rate is only 1.5% for plans that include same-sex and opposite-sex partners. The cost estimates given by the Benefits Office should be reexamined as they are out of line with these actual figures for local government employers.

Board of Regents
Re: Domestic Partnership
November 12, 1997

Since some of the Regents who are unfamiliar with Spectrum Institute have inquired about the work of our organization, I have enclosed a mission statement as well as several letters of reference. As you can see from these materials, we work with public and private employers, insurance companies and health maintenance organizations, labor unions, government officials, and the media. We engage in research, publish reports, and conduct seminars concerning marital status discrimination, family diversity, and domestic partnership issues.

I hope this information will be useful to you in connection with the discussion of domestic partnership health benefits that will occur at the upcoming meeting of the Board of Regents.

Very truly yours,



THOMAS F. COLEMAN
Executive Director

Enclosures:

Recent Ruling of the Labor Commissioner
USC Mutual Financial Dependent Benefits
List of School Districts with DP Benefits
Enrollment figures for local governments

Mission Statement of Spectrum Institute
Letters of Reference



GOVERNOR PETE WILSON

November 18, 1997

Regent Ward Connerly
Connerly and Associates
2215 21st Street
Sacramento, California 95818

Dear Regent Connerly:

At the November Regents' meeting, President Atkinson will, as he did in September, propose that the University provide health care benefits for the so-called "domestic partner" of each unmarried member of the University's staff and faculty, if the member and partner are of the same sex. I write to urge you to oppose that proposal at that meeting.

The University is not a private institution. Despite the great amount of autonomy the Board enjoys in its governance of the University under the California Constitution, the University remains a state governmental entity and in the words of the California Constitution, is "a public trust." Accordingly, Board decisions that undermine or conflict with state policy on personnel benefit questions common to all state agencies, and not uniquely required for University governance, ought to be avoided.

The question presented by offering health benefits to same sex partners is whether the state, through the actions of an agency, the University, ought to accord to a relationship between domestic partners (a term for which there appears to be no accepted definition in the law) or any other non-marital relationship the same status, benefits, and protections that have historically been reserved by society and state law for marriage alone.

I respectfully argue that the state and the University ought not to do so.

In a free society, its adult members are entitled to live with whomever they choose, and to do so without interference from government. But there is no obligation that requires government to provide unmarried companions with the same benefits provided to spouses which historically and legally derive from the special status and protections accorded only to marriage.

No other state agency of California offers such benefits to unmarried companions. Private institutions are free to do so if they choose, but they are also free of the obligation to uphold the status and protections of marriage.

Regent Ward Connerly
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I concede that same-sex partners cannot legally marry and are therefore ineligible for government-provided benefits for their partners. It is argued by proponents of extending domestic-partner benefits that the present system poses a serious potential hardship, and that as a result, the University will lose a great number of faculty members whose partners are deprived of health benefits. I know of no statistical data that suggests that faculty candidates will determine whether to accept or retain a teaching position at a prestigious university because of the availability of domestic-partnership benefits. The reality, I suspect, is that most same-sex partners are not dependent upon University-provided benefits, and have benefits of their own through their employers or otherwise.

In short, I think we will find that the argument that the University will not be competitive unless it offers health benefits to same-sex partners is predicated upon the symbolic rather than the real importance of its availability through the University.

In any case, the state does have a responsibility to adopt and follow policies that recognize and value the special status of marriage. That responsibility in my judgment heavily outweighs the arguments offered in support of creating this new benefit for unmarried partners of staff and faculty. A policy or practice of a state agency that accords equivalent status and benefits to a relationship less than marriage cannot avoid devaluing marriage and the vitality of that most important institution in the care and upbringing of children.

A second compelling argument against the proposal to confer same-sex domestic partner benefits is that it will probably require the University to offer the same benefits to heterosexual domestic partners. This result would not only greatly increase the dollar cost of the proposal but, far more important, would clearly and undeniably devalue the institution of marriage.

If you wish to spotlight the University of California as a role-model for undermining marriage and destabilizing families, adopting a policy that treats unmarried domestic partnerships as the equivalent of marriage is the way to do it.

The legal consequence of Board approval of same-sex benefits is not a matter of speculation. The State Labor Commissioner has just this past month ruled that such a same-sex medical benefit plan for employees of the City of Oakland - which denies the plan benefits to heterosexual partners - by such denial violates Section 1102.1 of the state Labor Code. The commissioner ordered the City of Oakland to compensate the complainant in Ayyoub v. City of Oakland (No. 99-02937) for his costs in buying coverage for his partner and ordered the city to extend coverage under the same-sex plan to heterosexual partners of the city's employees.

Regent Ward Connerly
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Indeed, groups whose purpose it is to erase the clear distinction made by law (and by both religious and secular tradition) between marriage and unmarried heterosexual relationships – groups whose goal is to obtain the extension of benefits to unmarried heterosexuals— have informed the President of the Labor Commissioner's ruling in the Avvoth case and are eagerly pressing it as precedent to expand the President's same-sex proposal. A letter to the President from one such group, the Spectrum Institute, dated November 3, argues: "It would appear that...the 'same-sex only' plan will not be a viable option.."

Even the Board's legal counsel, Jim Holst, while seeking to distinguish the circumstances of the city from those of the University, is forced to concede "...the lack of significant legal precedent in this area and, therefore, the unpredictability of results." (Holst letter to the Board, November 18, 1997.)

In a nutshell, it appears the Board can either uphold marriage and reserve benefits to married partners, or run the substantial and very grave risk that if it gives them to any unmarried partners, it must extend them to all unmarried partners – doing serious damage to the institutions of marriage and the family.

It is well established California law that the state's interest in protecting these institutions is so great that denial of statutory benefits on the basis of marital status does not violate the fundamental rights of unmarried persons. To the contrary, California law holds that the state's public policy favoring marriage is promoted by conferring statutory rights upon married persons which are not afforded unmarried partners. (Norman v. Unemployment Insurance Appeals Board (1983) 34 Cal.3d 1, 9; Hinman v. Department of Personnel Admin.(1985) 167 Cal.App.3d 516).

The issue is whether the University of California will treat unmarried relationships as the equivalent of marriage. Such a decision cannot help but have implications as far-reaching and grave as the many symptoms of social pathology that have inevitably resulted from the devaluing of marriage and the weakening of families.

It would be unwise and wrong in my judgment for the University of California to create so far-reaching a precedent, and would be seen as unwise and wrong by substantial segments of the public and the Legislature.

Sincerely,



PETE WILSON

LEDLER

Fax:213-878-0329

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OCT 17 1997

GRAY DAVIS
LIEUTENANT GOVERNOR

STATE OF CALIFORNIA
OFFICE OF THE LIEUTENANT GOVERNOR

October 14, 1997

Lloyd E. Rigler
P.O. Box 828
Burbank, CA 91503-0828

Dear Mr. Rigler

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I appreciate the time you took to write. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Gray Davis".

GRAY DAVIS

GD:rs