

repeat offender, it may award civil penalties of \$1,000 per day until the violation is remedied in full and such civil penalties are deposited into the state's general fund.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:

1) **Purpose.** According to the author:

In December 2021, UCLA had approximately 200 vacancies in its dining halls and catering services. Instead of hiring UC employees, or giving AFSCME Local 3299 advance notice of its plans, UCLA retroactively extended contracts with vendors which supplied the campus with the equivalent of as many as 75 cooks and other food services workers per month.

2) **Background.** In 2021, UCLA entered contracts with food service worker vendors to fill several vacancies across campus. AFSCME Local 3299 challenged those contracts, alleging UCLA was in violation of existing prohibitions for contracted labor in-lieu of securing bargaining unit employees. Then, in 2023 and again 2025, UCLA issued a request for proposals (RFP) to solicit new contracts for the same work, after multiple arbitration decisions found UCLA in violation of the contracting out prohibitions as alleged by AFSCME initially. These arbitration decisions resulted in three separate instances when UCLA solicited contracts for this work and three times an arbitrator ruled in AFSCME Local 3299's favor. This bill would make the failure to schedule an arbitration within a reasonable amount of time, failure to take action and remedy the violations addressed by an arbitrator, or the repeated disregard of an arbitrator's decision an unfair labor practice.

According to the American Federation of State, County, and Municipal Employees (AFSCME), sponsors of the bill:

For decades UC has used the practice of contracting out jobs and replacing us with cheap labor. The State Auditor has documented that UC's private contractors pay less, provide fewer benefits, and mistreat workers with impunity.

When we have challenged contracting out practices and prevailed in arbitration, a process agreed upon in our collective bargaining agreements, UC has responded with disrespect and defiance. They extend the same prohibited contracts, enter into new agreements for identical services, and simply wait for us to go back through the arbitration process again — at our own expense and at the cost of years of delay. This cycle of deliberate noncompliance renders our collective bargaining agreements meaningless and makes a mockery of the arbitration system that both parties agreed to honor.

AB 1582 establishes that it is an unfair labor practice for a higher education employer to circumvent or disregard an arbitrator's decision by renewing or re-entering contracts for the same prohibited services.

Conversely, the UC Office of the President, writes in opposition of this bill:

The uncertainty created by AB 1582 would effectively move the University towards an across-the-board ban on contracting for Covered Services. The narrow exceptions in policy exist for a reason. UC campuses and medical centers must retain operational flexibility to contract for services when necessary to maintain continuity in essential operations, including health system staffing, laboratory support, and emergency response, to serve our students and patients.

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