

UAW 2865 Framework to Address Cost of Living Issues Facing ASEs at the University of California

THE PROBLEM:

ASEs Are Caught In a Rent Burden Crisis

- The vast majority of Academic Student Employees (ASEs) are rent-burdened, as ASE compensation has not kept pace with the skyrocketing cost of on- and off-campus housing across the UC system.
- According to a 2017 UCOP report, graduate students spend, on average, \$1,140 per month on housing costs (rent plus utilities) UC-wide.¹
- In 2020, we estimate that a typical 50% GSI/TA spends between 33% and 55% of their pre-tax income on housing costs², depending on campus. ASEs at *all* UC campuses are therefore considered rent-burdened by the U.S. Department of Housing and Urban Development.³

Rent Burden Disproportionately Impacts International ASEs

- Restrictive visa rules prevent the vast majority of international ASEs from working more than 20 hours a week on campus, or at any off-campus job, to pay for expenses.
- Additionally, many international graduate students are forced to pay \$15,102 annually in Non-Residential Supplemental Tuition (NRST) as a condition of employment at UC.⁴
- As a result, many international ASEs incur significant debt while in graduate school to pay for housing, NRST, and basic living expenses.

Rent Burden is Damaging UC's Ability to Recruit and Retain Top Graduate Students

- According to findings from UCOP's 2017 Graduate Student Support Survey, "The cost of living differential between UC campuses and non-UC institutions is significant and contributes to UC's competitive disadvantage."⁵
- When comparing their top-choice UC and non-UC institutions, survey respondents rated "Availability of Affordable Housing" and "Amount of Financial Support" as the two most negative factors against attending UC.⁶
- UCOP's report concludes that "There is ongoing concern about UC's ability to attract the best graduate students – particularly nonresident domestic and international students."⁷

THE SOLUTION:

UAW Local 2865 has a three-point proposal to eliminate ASE rent-burden and improve the ability of UC graduate programs to attract and retain top graduate students: 1) provide all ASEs with a housing stipend

¹ https://www.ucop.edu/student-affairs/_files/GCOAS%20Report%202017.pdf, Pg. 4-5. This number is even higher today as rents have only increased since 2017.

² See the table in the Appendix. The TA salary rate is the 50% FTE TA rate as of Sept 1, 2020.

³ https://www.hud.gov/program_offices/comm_planning/affordablehousing/. ASEs who pay 30% or more of their income on rent are considered rent-burdened by HUD.

⁴ https://www.ucop.edu/operating-budget/_files/fees/201920/2019-20.pdf

⁵ https://www.ucop.edu/student-affairs/_files/GSSS%20report%202017.pdf, Pg. 4

⁶ https://www.ucop.edu/student-affairs/_files/GSSS%20report%202017.pdf, Pg. 21

⁷ https://www.ucop.edu/student-affairs/_files/GSSS%20report%202017.pdf, Pg. 22

to eliminate rent burden; 2) eliminate rent burden in existing on-campus housing; and 3) build more affordable, on-campus social housing.

Provide all ASEs With a Housing Stipend to Eliminate Rent Burden

- Given the lack of affordable housing stock on each campus, UC must provide ASEs with a housing stipend calibrated to the cost of housing facing ASEs on each campus in order to address the immediate rent-burden crisis.
- There is precedent at UC for providing housing stipends to student employees: UC has already agreed to housing stipends in collective bargaining with medical interns and residents at UCSD⁸, UCLA⁹, and UCSF¹⁰.
- The housing stipend for each campus should equal the amount of additional compensation – factoring in the cost of unremitted mandatory student fees, which ASEs must pay as a condition of employment, and the average amount graduate students on each campus pay in housing costs – needed to bring the typical 50% FTE Teaching Assistant out of rent burden.
- This calculation yields a monthly housing stipend of the following amounts for each campus: \$2,008 (Berkeley), \$1,178 (Davis), \$796 (Irvine), \$2,246 (Los Angeles), \$310 (Merced), \$801 (Riverside), \$988 (San Diego), \$1,402 (Santa Barbara), \$1,849 (Santa Cruz). See the appendix for more details on these calculations.
- We propose that the University increase these housing stipends on a yearly basis to ensure that ASEs do not become rent burdened as a result of future increases in housing costs.

Eliminate rent burden in existing on-campus housing

- The vast majority of ASEs who live in UC on-campus housing still experience rent burden. Currently, the only on-campus units at UC which do not leave 50% FTE TAs rent burdened are Russell Park (3-bedroom) at UC-Davis, One Miramar Half and Rita Atkinson Half¹¹ at UC-San Diego, Verano Place (3-bedroom) at UC-Irvine, and University Village (3 Bedroom Family Housing) at UCLA. Very few ASEs have access to live in one of these units.
- UC must reduce the rent at its housing units to rates that eliminate the rent burden currently experienced by on-campus ASE tenants.

Build more affordable, on-campus social housing

- Given the lack of affordable on-campus housing, the majority of ASEs are forced to find housing – often far away from campus – in the private market, where rental rates are skyrocketing across the state.
- UC must also address the rent burden crisis by dramatically increasing the amount of affordable on-campus social housing so that all ASEs have the option of living on-campus without rent burden.

⁸ https://ucnet.universityofcalifornia.edu/labor/bargaining-units/m6/docs/m6_2018-2021_00_complete.pdf, Section 20

⁹ <https://ucnet.universityofcalifornia.edu/labor/bargaining-units/m4/index.html>, Article 12

¹⁰ <https://ucnet.universityofcalifornia.edu/labor/bargaining-units/m2/index.html>, Article 27

¹¹ However, Rita Atkinson is being converted to undergraduate-only housing at the end of the 2019-20 academic year.

Appendix

We calculate the monthly housing stipend needed to bring the typical 50% FTE TA out of rent burden using the following formula:

Monthly Housing Stipend = (UC Campus's Average Monthly Graduate Student Housing Cost / 29%) – (50% FTE Monthly TA Salary – Cost of Unremitted Mandatory Fees, which ASEs must pay as a condition of employment, converted to monthly payments)

This formula yields a housing stipend amount which, when added to the post-fee monthly TA salary, ensures that the typical ASE spends only 29% of their income on housing costs, thus eliminating rent burden. Given that the UCOP report, "Findings from the Graduate and Professional Student Cost of Attendance Survey 2016-17", uses 2017 figures to estimate the average housing costs paid by UC graduate students, we update these costs by assuming that they increased from 2017 to 2019 at the same rate as the Zillow Rent Index (ZRI) for a 3-bedroom apartment in the city in which each UC is located.¹² Table 1 lists the housing stipend amounts that would apply to domestic ASEs and international ASEs who receive remission of Non-Residential Supplemental Tuition (NRST).

Table 1: Housing Stipend Amounts for Domestic ASEs and International ASEs with NRST Remission

Campus	Unremitted Mandatory Fees paid as a condition of employment (Monthly Basis)¹³	Post-Fee Monthly TA Salary	Average Monthly Housing Cost (Rent + Utilities) UCOP Report	Total Monthly Housing Stipend Amount Needed to Eliminate ASE Rent Burden
Berkeley	\$152.83	\$2,354.81	\$1,265.10	\$2,007.61
Davis	\$80.90	\$2,426.75	\$1,045.27	\$1,177.64
Irvine	\$62.12	\$2,445.53	\$940.18	\$796.48
Los Angeles	\$17.97	\$2,489.67	\$1,373.33	\$2,245.93
Merced	\$37.44	\$2,470.20	\$806.30	\$310.16
Riverside	\$67.02	\$2,440.62	\$940.00	\$800.74
San Diego	\$73.22	\$2,434.43	\$992.48	\$987.93
Santa Barbara	\$77.50	\$2,430.14	\$1,111.41	\$1,402.30
Santa Cruz	\$108.90	\$2,398.75	\$1,231.81	\$1,848.89

Table 2 lists the housing stipend amounts for international ASEs who are forced to pay Non-Residential Supplemental Tuition (NRST) as a condition of employment. Their housing stipends are larger because of

¹² https://www.ucop.edu/student-affairs/_files/GCOAS%20Report%202017.pdf, Zillow Data from <https://www.zillow.com/research/data/>. In cities where 2017 data was unavailable we interpolated using the 2018 to 2019 growth rate.

¹³ All fees and salaries are calculated on a monthly basis using a 9-month academic year, so that monthly fees are total annual fees divided by 9, and monthly pay is \$2507.65.

the negative impact of NRST on take-home pay. To eliminate rent burden facing international ASEs, the University must either provide the Table 2 housing stipend amounts or remit NRST and provide the Table 1 amounts.

Table 2: Housing Stipend Amounts for International ASEs without NRST Remission

Campus	Unremitted Mandatory Fees Paid as a condition of employment, including NRST (Monthly Basis)	Post-Fee Monthly TA Salary	Average Monthly Housing Cost (Rent + Utilities) UCOP Report	Total Monthly Housing Stipend Amount Needed to Eliminate Int'l ASE Rent Burden
Berkeley	\$1,830.83	\$676.81	\$1,265.10	\$3,685.61
Davis	\$1,758.90	\$748.75	\$1,045.27	\$2,855.64
Irvine	\$1,740.12	\$767.53	\$940.18	\$2,474.48
Los Angeles	\$1,695.97	\$811.67	\$1,373.33	\$3,923.93
Merced	\$1,715.44	\$792.20	\$806.30	\$1,988.16
Riverside	\$1,745.02	\$762.62	\$940.00	\$2,478.74
San Diego	\$1,751.22	\$756.43	\$992.48	\$2,665.93
Santa Barbara	\$1,755.50	\$752.14	\$1,111.41	\$3,080.30
Santa Cruz	\$1,786.90	\$720.75	\$1,231.81	\$3,526.89