



LIZ ORTEGA

Assemblymember, District 20



AB 1818

FACT SHEET

Bill Summary

The California State University (CSU) is using obscure statutory language as a loophole to back out of hard-earned collective bargaining agreements (CBA). AB 1818 will ensure that collectively bargained contracts for CSU employees are honored and prevent the CSU from arbitrarily backing out of their contractual obligations to their employees.

Existing Law

Existing law declares that “the people of the State of California have a fundamental interest in the development of harmonious and cooperative labor relations between the public institutions of higher education and their employees.” [Higher Education Employer-Employee Relations Act (HEERA) Gov Code Title 1, Division 4, Chapter 12, Section 3560]

Allows that when memoranda [of understanding] require legislative action pursuant to this section, if the Legislature or the Governor fail to fully fund the memoranda or to take the requisite curative action, the entire memoranda shall be referred back to the parties for further meeting and conferring unless the parties agree that provisions of the memoranda that are nonbudgetary and do not require funding shall take effect whether or not the funding requests submitted to the Legislature are approved. [HEERA, Section 3572 (b)]

Background

The Higher Education Employer-Employee Relations Act (HEEERA) was a statute passed in 1978 that allowed for workers at the CSU and UC to unionize. At that time, the annual budgets for CSU and UC were appropriated line-item by line-item in the State Budget, including how much the segments were to use for employee compensation. In this context, CSU needed a provision to allow them to return to the bargaining table if the State didn’t allocate enough funds to pay their employees.

Now, however, the State Budget allocates the CSU lump sum funding, which the segment has broad discretion on how to spend. Yet, the CSU still uses this code section to cancel CBAs and force unions back to the bargaining table, as the sole arbiter on whether the State has or has not given them enough funding to fulfill their end of CBA promises. CSU, like all employers, already has strong mechanisms to bring unions back to the negotiating table without relying on this provision.

The State has honored the five-year budget compact, increasing CSU’s annual base funding by five percent each year. CSU is projecting higher revenue from tuition increases and has reserves of reportedly \$8 billion in cash investments with \$2.4 billion in surplus/designated balances and reserves. And yet, CSU – citing funding deferrals in the 2025-26 state budget – used its statutory authority to refuse to pay

raises agreed to in 2024 CBAs and reopen negotiations, affecting 16,000 workers.

CSU has engaged in multiple violations of state labor law, including bargaining in bad faith, distributing anti-union mass communications, and refusal to provide contractually agreed-upon raises. Beyond betraying workers, CSU's actions have and continue to create learning disruptions for students as well as delays and stoppages of construction and maintenance.

Need for AB 1818

AB 1818 amends the section of HEEERA that CSU has relied on as a statutory crutch to break CBAs to state that if the Governor or Legislature fail to fully fund the memoranda, the Public Employment Relations Board (PERB) will provide a written notification to both the CSU and the bargaining unit. This change provides balance and ensures fair bargaining by making the decision to reopen negotiations one made by the PERB – an independent arbiter – rather than one made unilaterally by the CSU. This third-party, independent model for determining when the budget requires re-opened bargaining is balanced, common sense and promotes fairness. AB 1818 is essential for protecting workers at CSU from unfair and anti-Californian labor practices.

Support

Teamsters California (Sponsor)
Academic Professionals of California (APC)
American Federation of State, County, and
Municipal Employees (AFSCME)
Board of Supervisors of the City & County of
San Francisco
California Faculty Association (CFA)
California Federation of Labor Unions AFL-

CIO
California Federation of Teachers (CFT)
California State Council of Service
Employees International Union
(SEIU CA)
California State University Employee Union
(CSUEU)
Union of American Physicians & Scientists
(UAPD)

Opposition

California State University (CSU)

For More Information

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