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QUESTIONS AND ANSWERS ABOUT DOMESTIC PARTNER BENEFITS

Research and documentation prepared for IU faculty governance leaders and the IU Board of Trustees



Indiana University Working Group on Domestic Partner Benefits

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9/3/01

EXECUTIVE SUMMARY

- Domestic partner benefits are now mainstream practice in business and human resources. They are in place at 140 of the Fortune 500, 47 of Fortune's "100 Best Companies to Work For," and 154 colleges and universities, including five Big Ten competitors, many religiously affiliated institutions, and more than half of the *US News* top 50 universities. Major Indiana employers offering DP benefits include Cummins Engine, Bank One, Lincoln National Life Insurance, and Delphi Automotive.
- Employers, especially institutions of higher education, recognize that treating employees with domestic partners equitably is necessary to assure their ability to attract and retain the best talent. Employers also recognize that failure to provide the benefits to the same-sex partners of employees in committed relationships, who cannot legally marry, represents an obvious failure to provide equal compensation for equal work. Affected employees, as well as their fair-minded supervisors and colleagues, are increasingly impatient with such treatment, and they are concerned about the impact it has on the institution's competitiveness, work environment, image to prospective employees and students, and efforts to embrace diversity in a comprehensive way.
- Current IU employees have suffered or are suffering real economic consequences and human hardship due to the institution's failure to provide DP health and other benefits. Administrators voice fears that IU has lost and will lose key faculty and staff over the issue. And students have expressed displeasure that their partners are not granted the same access to sports and other facilities as the spouses of married employees. A program to recognize domestic partners should simply mirror the benefits currently available to the spouses of employees or students (e.g. life insurance, recreational sports membership, family and medical leave, eligibility to occupy University housing, etc.).
- Peer institutions offering DP benefits report that they consider the costs to be nominal; the costs often are not even tracked separately. Based on well-documented experience at peer institutions as well as other employers, the number of faculty and staff signing up for domestic partner benefits at IU would represent less than 1% of all employees. IU University Human Resources estimates the cost would add about 1/3 of 1% to current health insurance expenditures.
- The idea that there is deep and widespread opposition to the principle that gays and lesbians should enjoy the same basic rights as other Hoosiers is not well-founded. Deans, faculty, staff, and students support domestic partner benefits, and are unlikely to allow the issue to disappear. A 1999 statewide poll by IU's Center for Survey Research found that almost 60% of Hoosiers said they would either agree with the decision or it "wouldn't matter" to them if "state universities or other public employers in Indiana began offering domestic partner benefits to their gay and lesbian employees." There are many signs that the State's political climate is evolving along the rest of the nation. Potential opposition to the decision can be mitigated if facts are presented, myths and false information are refuted, and the decision-making process is well-managed.
- The University has clear legal authority over its personnel and benefits programs, so there is no legal impediment to offering DP benefits. Most insurance underwriters IU works with already are prepared to handle DP benefits. Concerns that domestic partners might represent a higher-risk and thus more expensive population to insure, or that such a program would lead to fraud, are unfounded. Domestic partnership programs are now common; sample guidelines and forms are easily available, and the programs are simple to administer.

ACKNOWLEDGEMENTS

The Working Group wishes to thank the many IU administrators who have been helpful to its work and who provided or verified information in this report, especially Dan Rives, Interim Assistant Vice President, University Human Resource Services.

Special thanks also to Carol Fischer, of the Office of GLBT Student Support Services, for gathering the comparative data on domestic partner benefit programs at other institutions.

1. What compelling reasons are there for Indiana University to offer domestic partner benefits?

Two reasons: fairness, and competitiveness.

Indiana University maintains a policy to prohibit discrimination “based on arbitrary considerations” including sexual orientation. Yet, an employee with a spouse who is eligible for insurance coverage and other benefits enjoys significantly greater overall compensation than an employee with a domestic partner, even though the two employees may perform identical work. Employees who are in committed relationships but unable to marry – as well as their fair-minded co-workers, supervisors, and University administrators -- are increasingly unwilling to accept this inequity, especially given how easily and inexpensively it may be remedied, and the booming number of major employers, as well as peer and competitor universities, who are choosing to do so.

“We now face tremendous competition from other universities and the private sector for faculty members who are the key to excellence.”

-- President Myles Brand

The current difference between the University’s contribution to employee-only medical and dental insurance, and the same insurance for an employee plus spouse, is \$2,828.76.¹ Partners who do not have access to their own group health insurance are forced either to pay drastically higher premiums for an individual policy, or to face the risks associated with going without

insurance. And this figure does not take into account the additional benefits and perquisites available to married employees, including spousal fee courtesy, access to recreational facilities, leave for family matters, and more.

In their book *Domestic Partner Benefits: An Employer’s Guide*, published last year, corporate attorneys Joseph S. Adams and Todd A. Solomon write, “Employers striving to provide equal pay for equal work are beginning to realize that they will continue to treat employees inequitably until they institute domestic partner benefits.”²

Moreover, the rapid and widespread adoption of domestic partner benefits in corporate America, as well as by universities and other employers, demonstrates how such benefits are increasingly seen as critical to attracting and retaining the best employees. Changes in American society and culture have allowed gays and lesbians to be more open and honest about their lives and families – a welcome development. When faculty and staff are respected and treated as equals regardless of their sexual orientation, it contributes to employee satisfaction and performance.

¹ IU University Benefits Office, “Benefits Program Bulletin,” October 2000. It should be noted that there are approximately 1,200 employees who do not enroll in an IU-sponsored health care plan.

² Joseph S. Adams and Todd A. Solomon, *Domestic Partner Benefits: An Employer’s Guide*, Thompson Publishing Group, 2000, p. 5

According to a 1999 article in the *Chronicle of Higher Education*, “while the number of employees affected [by a domestic partner policy] is small, the impact of the new benefits on their lives can be enormous.... The new programs foster a climate in which they feel more comfortable and in which, for the first time, they say, their [relationships] are not only accepted but validated.... While the cost to institutions may be minimal, the saving for employees can be significant.”³

“I was surprised at how emotional I felt when the administration went ahead and authorized this program,” one faculty member told the *Chronicle*. “To have the place where I work really honor and respect my most significant personal relationship means a lot to me.”

“Our policies are not designed to change personal values. Rather, they are designed to foster an atmosphere of fairness and professional respect at work.”

-- Tim Solso, CEO, Cummins Engine Co., which adopted domestic partner benefits in 2000

The *Chronicle* noted that “the absence of domestic-partnership policies has driven people away from some campuses.”

According to *Trusteeship*, the publication of the Association of Governing Boards of Universities and Colleges, “In today’s full-employment economy, recruitment and retention of top talent have become major

challenges. On the social front, Americans over the past decade have placed increasing emphasis on diversity and tolerance for differences in the workplace and in society at large. So it is no surprise that proposals to extend benefits to domestic partners of employees – gay as well as straight – have emerged as major policy issues for employers, not least the colleges and universities whose faculty members demand such benefits as a way to keep their institutions competitive.”⁴

In their employer’s guide to domestic partner benefits, attorneys Adams and Solomon write that “extension of [domestic partner] benefits is a top priority for many organizations striving to attain equal employment rights for gays and lesbians. Employers seeking to make the workplace reflect cultural changes are likely to consider offering domestic partner benefits at some point....

“In addition, employers may find that extending benefits to their employees’ domestic partners could be good for the corporate ‘bottom line.’ ... Keeping qualified employees who have domestic partners would serve an employer well: not only would their retention be good for accomplishing a company’s purpose, statistics indicate that it costs five times as much to replace an employee as it does to keep one.”⁵

³ Robin Wilson, “For Gay Academics, Benefits for Partners Have a Financial and Emotional Impact,” *Chronicle of Higher Education*, February 12, 1999

⁴ Roosevelt Thomas Jr., “What Campuses Can Offer: Domestic Partner Benefits,” *Trusteeship*, May/June 2000

⁵ Adams and Solomon, p. 9

In a lecture at IU-Bloomington last fall, Tim Solso, chairman and CEO of Columbus-based Cummins Engine Co., explained his company's decision to offer partner benefits:

We instituted the domestic partner benefits policy because we believe there's no correlation between marital status and sexual orientation and work ethic or quality of contribution to Cummins. Our entire Treatment of Others at Work policy is predicated on the belief that talent, creativity, productivity, and value to the company reside in all manner of men and women.

We also want to be certain that when qualified people consider an offer of employment with Cummins that they see a place where they can make a contribution free from judgment about personal matters outside of work.

Our policies are not designed to change personal values. Rather, they are designed to foster an atmosphere of fairness and professional respect at work.⁶

Mr. Solso outlined what he called the Cummins "business case for diversity," which he said includes the following points :

- "[H]aving the best people regardless of background means that we can provide the best solutions for our customers. That means not excluding anyone based on any factor other than ability to do the job."
- "Corporations like Cummins are only as healthy as the environment and communities in which we work and live. It is in our self-interest to have a society in which all people are treated fairly and with dignity and respect, regardless of age, race, gender, sexual orientation, marital status or religion. I firmly believe that all of us become richer, as individuals and as communities, when we embrace this principle."

Companies that "value and manage diversity," Mr. Solso said, "will and do have a distinct advantage over those that do not. In my opinion, it will be the difference between success and failure for businesses and communities in which they operate as demographics change and the market place becomes more global." Changes in demography and lifestyles "make it clear that companies that do not have an inclusive environment that treats all employees with dignity and respect, and that does not have true equal opportunity, will lose current and potential talent to companies that do."

There is every reason to believe the same principles are even more applicable to institutions of higher education, especially at a time when, to quote President Brand, "We now face tremendous competition from other universities and the private sector for faculty members who are the key to excellence."⁷

⁶ Tim M. Solso, "Domestic Partner Benefits: Good for Employees, Good for Diversity, Good for Business," lecture delivered at IU-Bloomington, November 6, 2000.

⁷ Martin C. Jischke and Myles Brand, "Purdue, IU presidents demonstrate unity, urge support for investment," Bloomington *Herald-Times*, March 7, 2001

2. In what ways have IU employees suffered harm from the lack of domestic partner benefits?

Obviously, employees whose partners have been ineligible for IU health insurance coverage and other benefits have borne higher expenses, and often greater inconvenience at difficult times, than would similarly situated married couples.

It is often helpful to know more about the human dimensions of these issues. Some members of the Board of Trustees may recall the circumstances of Cindy Stone, a longtime IU staff member and former Trustee, whose late partner of 20 years, Donna Payne, was ineligible to be placed on Cindy's IU insurance coverage during a time when the couple was dealing with Donna's deteriorating health condition and rising health care expenses.

Cindy elaborated on her experiences and how the lack of domestic partner coverage affected her in the article "Coming Out of the Crimson Closet," published in *Indiana Alumni* magazine in 1999. After Donna could no longer work at her longtime IU job as a staff member in the Halls of Residence, the couple faced a 10-fold increase in her health insurance premiums. According to the article:

The human impact: Dora and Grace

"Dora," 51, has been teaching full-time at IU-Bloomington since 1978. She and "Grace," 48, a former IU faculty member, have been a couple since 1993. (Both asked to be identified by pseudonyms.) They jointly own a home, a checking account and a columbarium niche at their church. They've named each other in their wills and have given each other powers-of-attorney both durable and for medical decisions.

Because of her health, Grace is now largely dependent on Dora to cover the gaps in her medical coverage. Grace earned a Ph.D. in English from Brown University. Her first job was at age 33, as a visiting assistant professor at Franklin and Marshall College (Lancaster, PA). From there, she accepted a faculty position at IU-Bloomington. In 1995, Grace could no longer work due to health problems, and her "bridge insurance" (Cobra) lapsed in 1996-7. The short length of Grace's career means that she paid little into Social Security. She figures she'd get around \$816 per month were she dependent on Social Security.

But Grace's medical expenses are far higher. She has required numerous surgeries, and suffers from degenerative arthritis and fibromyalgia. Though these disabilities developed while Grace was insured through her job, they continue to require treatment now that she is unemployed. After Grace's "bridge insurance" lapsed, she required a series of hospitalizations and surgeries. She has become virtually unemployable due to her disabilities, though she says the Social Security Administration has not deemed her qualified for disability benefits. At present, she is covered by an Indiana Comprehensive Health Insurance Association (ICHIA) plan. The premium is \$714.60 per quarter, which Grace's partner Dora has to pay. The plan is "a good deal for prescription drugs and surgery costs," says Grace, but it doesn't pay for dental work or preventative care (X-rays, blood work, MRIs, bone scans, and so forth).

To the substantial and inequitable financial burden she shoulders, Dora adds, "there's the intangible aspect of it all," meaning the adverse effect on her morale of not having her spouse covered when her heterosexual colleagues' spouses are covered.

Had IU recognized the two as domestic partners, as a growing list [of employers] have done, Cindy could simply have added Donna to her own coverage. Partner benefits would also have made it easier for Cindy to take time off to care for Donna and guaranteed her a three-day bereavement leave. But despite a 20-year committed relationship and 45 years of combined IU service, the couple's official status was no better than that of freshman roommates.

In addition, the box on the previous page presents the story of a current IU faculty member and her partner who are struggling with a similar situation involving the partner's health condition and medical expenses.

These examples represent only two of many similar situations involving employees whose work and professional lives have been made more difficult, and whose finances have been adversely impacted, by the lack of domestic partner benefits.

3. Has IU lost faculty or staff by not offering domestic partner benefits?

Deans and other administrators on each of IU's campuses report receiving inquiries about DPBs from potential faculty and staff members, and have indicated their concern about IU's competitiveness in attracting and retaining faculty and staff in the face of increasing expectations that major colleges and universities will offer such benefits. They believe IU has lost and will continue to lose talent over the issue.

The working group was in contact with most academic school deans at IUB and IUPUI, and all supported a change in IU policy to recognize domestic partners.

For purposes of an example, we have documented a case where IU's lack of domestic partner benefits was the reason a distinguished, internationally known, and highly sought-after scholar recently turned down a position at IU.

The person whose case we documented was "exactly the sort of high-profile scholar we wanted," the department chair told us. "The department was unanimously in favor" of making a job offer. "It's my sense that we were very close" to hiring him. "We had solved many of his concerns. The DP benefits issue was the last one I dealt with and the deal fell through over that. I cannot say that had we solved that issue that something else wouldn't have come up, but I believe it was the issue that ended the negotiations."

Contacted by a member of our committee, the scholar in question confirmed that lack of domestic partner benefits was the primary reason he turned down IU's offer. He added: "I don't think there's any question that enlightened leaders in the world of education, business, and culture have started to acknowledge the long-time reality that many respected and highly qualified authorities in their respective fields have private lives in committed relationships with same-sex partners. All the major universities known to me in the northeastern United States now offer domestic partner benefits to faculty and staff with same-sex partners. The same is true of the cultural and business institutions involved with exchanges with [the part of the world] with which I am in contact in my capacity as a specialist in [that country's] politics and culture."

(We have omitted identifying information to protect this scholar's privacy, but details can be provided privately. He is now teaching at a prestigious private liberal arts college that provides his partner both health benefits and a full fee courtesy.)

There is no reason not to believe there have been other cases where the University's lack of domestic partner benefits was a factor – whether made known during the hiring process or not -- in a prospective faculty or staff member's decision not to accept an offer from IU.

4. What other universities recognize domestic partners, and what have their experiences been?

In the Big Ten, insurance and other domestic partner benefits are offered by Iowa, Michigan, Michigan State, Minnesota, and Northwestern.⁸ Details on the enrollments, costs, and program features for the four public institutions are provided in Table 1.

In Indiana, domestic partner benefits for same-sex couples have been offered since 1997 by DePauw University in Greencastle. A faculty/staff committee at Purdue has approved and forwarded a proposal for same-sex DP benefits to President Martin Jischke, and a committee at Indiana State also is actively working on the matter.

Nationwide, 154 colleges and universities offer domestic partner insurance and other benefits. Twelve schools have added the benefit so far in 2001 alone, including Eastern Kentucky University, Pacific Lutheran University, Furman University, the University of Washington, and Southern Methodist -- a school with religious ties that is generally regarded as having a conservative campus and alumni culture. According to the *Dallas Morning News*, the decision to extend DPBs was made "without fanfare."⁹

The article added:

Opponents of the proposal were few in number and virtually silent, administrators and faculty members said.

The benefits plan was simply a good business decision that will allow SMU to remain competitive for top teaching talent, said Dr. Morgan Olsen, vice president for business and finance.

"It was becoming clear that many employers nationally are offering this benefit," he said. "This is necessary to ensure SMU recruits and retains the best people."

⁸ In addition, Illinois, Ohio State, Penn State, and Wisconsin include provisions in their policies on sick and/or bereavement leave for domestic partners, "spouse-equivalents," or non-marriage members of an employee's household. IU and Purdue are the only institutions in the Big Ten that have no policies recognizing the domestic partners of their employees. (<http://www.uihr.uillinois.edu/benefits/benslac.html>; <http://www.ohr.ohio-state.edu/policy/627pol.htm>; <http://www.ohr.psu.edu/policy/hr34.cfm#G>; <http://www.bussvc.wisc.edu/ecbs/uw1378.html#sickleave>)

⁹ Colleen McCain Nelson, "SMU to offer workers same-sex benefits plan," *Dallas Morning News*, March 1, 2001

Table 1: Domestic partner benefits at public Big Ten institutions

	Iowa	Michigan	Michigan State	Minnesota
Total employees receiving health insurance	13,000	38,682 ¹⁰	Medical - 8,866 Dental – 9,773	15,000
Institutional health insurance expenditures	\$46.4 million	\$114.7 million	\$57.8 million	\$44-46 million
Total employees signed up for domestic partner benefits	54	113	Medical – 39 Dental – 45	Medical – 30 Dental – 44
DP insurance participation rate	0.42%	0.29%	0.44% / 0.46%	0.29% (dental)
Institution's reported costs for DP health insurance	\$70,000	\$160,000	\$100,000	\$55,500
DP insurance cost as a percentage of overall insurance expenditures	0.15%	0.14%	0.17%	0.12%
Same-sex or both same and opposite?	Both ¹¹	Same only	Same only	Same only
Date DP benefits enacted	1992	1993	1997	1993
Students eligible?	Yes	Yes	Yes	Yes
Partners' children eligible?	Yes	Yes	Yes	Yes
Life insurance?	Yes	Yes	Yes	Yes
Family/medical leave?	Yes	Yes	Yes	Yes
Bereavement leave?	Yes	Yes	Yes	Yes
Access to recreational facilities?	Yes	Yes	Yes	Yes
Source:	Richard Saunders, Asst Director, HR-Benefits 877-830-4001	Kate Van Valkenburgh, Benefits Representative, 734-763-1217	Chris Hanna, Data Research Analyst 517-353-4434	Sue Smith, Benefits counselor 612-624-5866

¹⁰ At Michigan, insurance is available to both full-time and part-time (over 20 hours per week) employees.

¹¹ Iowa state law recognizes common-law marriages between members of the opposite sex. (Indiana, Michigan, and Minnesota do not.)

Dennis Foster, chairman of SMU's English department, commented, "The trustees were very open to it....There was a real sense that attitudes had changed."

Other religiously affiliated schools that have begun offering DP benefits include Emory University, which is affiliated with the United Methodist Church, and Wake Forest, which has Baptist ties.

Among the *US News* top 50 national universities, at least 26 offer domestic partner benefits.¹²

5. What other well-known employers offer domestic partner benefits?

Domestic partner benefits are now a mainstream business practice. Concerns based on "controversy" or "backlash" begin to look hollow and short-sighted when considering the rapidly growing list of successful, influential, and respected employers that have decided DP benefits make good business sense.

As of August 2001, domestic partner benefits were in place at 140 of the Fortune 500, 47 firms in Fortune's "100 Best Companies to Work For," and 154 colleges and universities, including more than half the USNews top 50 universities. Major Indiana employers include Cummins Engine, Bank One, and Delphi Automotive.

The number of large employers offering the benefits has more than doubled since 1997, according to the Society for Human Resource Management.¹³ And 47 of the companies on *Fortune* Magazine's "100 Best Companies to Work for in America" now offer them.¹⁴

The number of Fortune 500 companies offering domestic partner benefits has grown from none in 1990 to 140 as of August 2001.¹⁵ Indeed, more than 40

companies have joined the list in 2001 alone – twice the number that had joined during all of 2000. Noteworthy additions to the list in 2000 included the "big three" automakers, as well as Columbus, Indiana-based Cummins Engine Co. and Michigan-based Delphi Automotive, which has a substantial presence in Kokomo. Major companies that have announced DP benefit plans so far in 2001 include Verizon (#10 on the Fortune 500), Philip Morris (#11), SBC Communications (#14), Boeing (#15), Dell Computer (#48), Allstate Insurance Group (#59), Bell South (#66), Bank One Corp. (#70), First Union (#73), Coca-Cola (#93), Cigna (#102), TRW (#114), Delta Airlines (#123), Northwest Airlines (#170), Bear Stearns (#182), and Gillette (#188). In February 2001, Ernst and Young became the last of the "big five" accounting firms to begin offering the benefits.

¹² Survey by the Office of the Vice Chancellor for Student Life and Diversity, IUPUI, Fall 2000

¹³ "HR News," Society for Human Resource Management, <http://www.shrm.org/hrnews/articles/default.asp?page=113000a.html>

¹⁴ Fortune Magazine website, www.fortune.com

¹⁵ Human Rights Campaign web site, www.hrc.org/worknet

Lincoln National Life Insurance Co. of Fort Wayne became one of the first Indiana-based companies to begin offering such benefits in 1997. Other companies with substantial Indiana presences that offer domestic partner benefits include Bank One, Delphi Automotive, Safeco Insurance Cos., IBM, Charles Schwab, and AOL Time Warner.

As of August 2001, domestic partner benefits also were offered by 111 state and local governments (including Bloomington, IN), and more than 3,000 other companies, non-profits, unions, and small businesses across the country.¹⁶

6. How many IU employees are likely to take advantage of domestic partner benefits if they're offered, and how would that impact costs?

According to *Trusteeship*, "Evidence from hundreds of organizations that have implemented the policies shows participation rates of less than 1 percent and increased costs of less than 1 percent."¹⁷

According to a study by University of Massachusetts labor economist M.V. Lee Badgett, Ph.D., "Evidence from existing plans shows that enrollment rises very little, usually 1% or less and almost always less than 2% when coverage is offered to same-sex and opposite-sex partners. Those partners who sign up do not have higher medical costs than other people already in the plan. Overall, the likely cost increase will be roughly the same size as the increase in enrollment, or around 1% in most cases."¹⁸

The experiences of the four other Big Ten public universities documented in Table 1 show participation rates ranging from 0.29% to 0.46%, and costs as a percentage of total health insurance expenditures ranging from 0.12% to 0.17%.

A 1999 study of 20 state and local governments that offer domestic partner benefits found the average enrollment rate for same-sex benefits to be 0.4%, and average enrollment rate for same- and opposite-sex benefits to be 2.1%.¹⁹

Adding domestic partner benefits may at one point have been tagged by some as "radical" and "costly," but many employers have found the opposite to be true, according to the Society for Human Resource Management:

Another reason cost projections haven't been as dire as anticipated is that employers initially overestimated participation rates. Businesses presumed that 3 percent to 4 percent of their employees would use health benefits for domestic

¹⁶ <http://www.hrc.org/worknet>

¹⁷ Thomas, "What Campuses Can Offer: Domestic Partner Benefits"

¹⁸ M.V. Lee Badgett, "Calculating Costs with Credibility: Health Care Benefits for Domestic Partners," *Angles*, Institute for Gay and Lesbian Strategic Studies, November 2000.

¹⁹ Data from Sally Kohn, "The Domestic Partnership Organizing Manual for Employee Benefits," Policy Institute of the National Gay and Lesbian Task Force, 1999, as reported by Badgett, "Calculating Costs with Credibility."

partners, but the range has turned out to be from 0.5 percent to 1 percent, estimates [The Segal Company's Andrew D.] Sherman. For example, Coors enrolls less than 1 percent of its 5,500-employee workforce in its coverage for domestic partners, says Elaine Ellison, benefits analyst. It's such a small participation, she says, that the company doesn't focus on the minimal additional cost.²⁰

Faculty, staff, and students at major colleges and universities are often more comfortable than workers in other sectors in openly acknowledging their sexual orientation and in expecting their employers, co-workers, and fellow students to treat them with fairness and with the same respect shown to others. The issue also affects the rising population of women and young people in the workplace, especially colleges and universities, who often hold more progressive attitudes and value a workplace that appreciates diversity and fairness.

7. What would be the approximate cost to IU for implementing domestic partner health benefits?

The estimated cost of adding domestic partner benefits would add about 1/3 of 1% to the University's overall annual expenditure for health insurance.

To provide an estimate of costs for health benefits, the following calculations, provided by University Human Resources, take into account the number of full-time IU faculty and appointed staff systemwide, the participation rates for domestic partner health insurance programs at other public Big Ten

institutions, and the University's current contribution to health insurance premiums for spouses. University Human Resources regards these estimates as conservative; that is, if anything, they may overstate potential participation rates and costs.

[See table on following page.]

²⁰ Susan J. Wells, "A Benefit Built for Two," *HR Magazine*, August 1999

Total eligible full-time employees	=	15,011
Estimated share of employees who would claim DP benefits ²¹	x	0.35%
	=	53

The difference in annual IU contribution [medical and dental] for “employee only” vs. “employee/spouse” insurance during 2001 is \$2,828.76. The difference in contribution for “family” insurance is \$3,335.16. University Human Resources estimates that, of the projected 53 cases above, 36 might fall into the partner-only category ($\$2,828.76 \times 36 = \$101,835.36$), and 17 into the family category ($\$3,335.16 \times 17 = \$56,697.72$).

Estimated annual cost for DP health benefits, based on 2001 costs	=	\$158,533
Allowance for 2002 projected premium increase	x	1.15
Estimated annual cost for DP health benefits, based on 2002 costs	=	\$182,313
Add University FICA contribution	x	1.0704
Total estimated cost, 2002	=	\$195,148

To put the figure for projected costs for domestic partner health benefits in perspective, the institution’s total cost for contributions to employee health insurance premiums in 2001-2002 is budgeted at \$61.01 million. Thus, the estimated cost of adding domestic partner benefits would represent .32 of 1% (.0032) of the University’s overall health insurance costs.

8. What about other, non-health benefits?

We have not attempted to estimate the cost of a partner fee courtesy that would be made available on the same terms as the current spousal fee courtesy. The current spousal fee courtesy value is 50% of the resident undergraduate rate, up to a maximum of three credit or audit hours per semester or combined summer session. Information from other institutions indicates the number of partners claiming such a benefit would be small. Given the relatively small value of the spousal fee courtesy, common sense indicates that the financial impact would be very small. University Human Resources estimates roughly that the additional full fee courtesy for dependent children of domestic partners who would be brought under the new policy might amount to \$12,500 per year (assuming five children eligible for the fee courtesy per year @ \$2,500) on an annual fee

²¹ Estimated from experiences of peer institutions as reported in Table 1.

courtesy budget of \$3.57 million. (Michigan State, the only one of the four Big Ten public peers that also maintains a fee courtesy for employees' children, includes children of domestic partners.)

The University currently provides group life insurance benefits of \$3,000 for eligible spouses. The additional cost of premiums for domestic partners would be diminimus.

As for all other benefits provided by the University, e.g., COBRA continuation of benefits, recreational sports membership, optional personal accident insurance, family and medical leave, eligibility to occupy University apartment housing, library privileges, etc., domestic partners of employees (and, where applicable, students) should simply be treated in the same way that spouses currently are treated.

9. Should we be concerned that domestic partners would be a higher-risk and more expensive population to cover?

No. According to the Society for Human Resource Management:

One reason is that some insurance companies initially feared higher costs and charged higher rates for domestic partner coverage, but in large part, the higher costs never materialized, consultants and HR practitioners claim.

Today, insurance companies rarely boost premiums because of domestic partner benefits, says [Andrew D.] Sherman [, senior vice president in the Boston office of The Segal Co., a New York-based HR consulting firm]....

Sherman adds that many employers were concerned that adding domestic partner benefits would incur steep bills for AIDS care. However, his company's research shows that many common medical conditions-such as premature birth, heart disease or cancer-can be more costly than AIDS.²²

According to the Association of Governing Boards of Universities and Colleges, "Initial fears about high costs related to catastrophic AIDS-related claims have proved unfounded and no longer are a major issue for institutions and insurance companies."²³

And according to the American Compensation Association, an organization of 25,000 human resources professionals, consultants, educators and others:

In the early debate about domestic partner benefits, many organizations were concerned about the increased costs, noting the treatment of HIV and AIDS as a particular concern. However, data showed that adding coverage for a domestic partner was no more expensive than when an employee marries and adds a spouse to the plan. Data also revealed that medical treatment for premature

²² Wells, "A Benefit Built for Two"

²³ Thomas, "What Campuses Can Offer: Domestic Partner Benefits"

infants, heart disease, lung cancer, organ transplants and other conditions can cost four to five times as much.²⁴

Indeed, as far back as 1993, data showed that insurers' claims exposure was not higher for insuring same-sex domestic partners. According to an article in the *New York Times*, entities with domestic partner benefits were finding that "the actual cost of enrolling a [domestic] partner is less than for a married spouse." Moreover, it quoted Mr. Sherman from Segal as noting, "The single most expensive medical cost is pregnancy-related... [and] domestic partners are statistically less likely to get pregnant."²⁵

10. Should students be included in a domestic partner program?

Yes, this is the norm. IU currently offers health insurance to graduate and undergraduate students through private underwriters. Insurance is subsidized for student academic appointees, but is not subsidized for their spouses or children. IU should pursue modifications in its coverages that would allow registered domestic partners of students to obtain insurance on the same terms as spouses may currently do so. (If in the future the policy is changed to provide subsidized coverage for spouses, domestic partners should, of course, be treated equally.)

The four other Big Ten publics with domestic partner benefits include in their policies access to insurance for students' domestic partners. (In addition, family members' coverage is subsidized at Iowa and Minnesota.) As of June 2001, Iowa reported enrollments of 4 graduate students' domestic partners and 1 undergraduate's domestic partner; Michigan, 3 grad students' domestic partners; Michigan State, 3 grad students' domestic partners; Minnesota, 5 students' domestic partners enrolled.

Other applicable benefits -- access to University recreational sports facilities, family housing, student health centers, and libraries -- should be extended to the domestic partners of all students on the same terms they are available to student spouses. This is also the norm at peer institutions. Consultations with IU administrators who oversee such services indicate that bringing domestic partners under current policies on student spouses would not pose any significant burden or problem -- indeed, some units already have studied doing so, or have adopted policies designed not to discriminate against same-sex partners.

11. What about the children of employees' domestic partners?

Consistent with common practice among DP benefit programs, dependent children of domestic partners should be treated on the same terms (for health insurance, fee courtesy, etc.) as children who might be brought into an employee's family by marriage.

²⁴ "Topic Briefings: Domestic Partner Benefits," American Compensation Association, <http://www.acaonline.org/topicbriefings/generic/html/topic-domestic.html>

²⁵ Barbara Presley Noble, "A Quiet Liberation for Gay and Lesbian Employees," *New York Times*, June 13, 1993

12. What kind of documentation should be required of domestic partnerships? Would the program be expensive to administer?

In signing up for benefits, domestic partners typically are required to sign an affidavit and to provide documented evidence of a long-term, committed, and exclusive relationship. (Like all health and benefits-related matters, such affidavits would be confidential.)

Changes and updates to forms and policies are routine in the realm of benefits and human resources, and carry no or diminimus costs that are considered part of normal operations.

Since DP benefit programs have become common knowledge among professional benefits administrators, many model affidavits and other materials related to the administration of a domestic partner program are easily available from professional societies and from other similar employers that offer the program. University Human Resources is prepared to develop the appropriate tools to implement DPBs. It foresees no undue problems with administrative operations, and minimal new administrative expenses.

13. How are domestic partner benefits treated for tax purposes?

While benefits provided to the spouse of an employee are not taxable, the value of those provided to a domestic partner is taxable to the employee under federal law.

14. Are gay and lesbian partnerships as stable as heterosexual relationships?

According to *Trusteeship*, "Many Americans have long viewed the gay lifestyle as too casual and relatively unstable because individuals were perceived to go through a succession of partners. Nowadays, however, a growing body of evidence has emerged to undercut that perception. As suggested by the growth in benefits for same-sex domestic partners, many gay couples enjoy committed relationships with lifetime, or at least long-term, partners. Policymakers therefore should focus on designing benefits that presume committed relationships."²⁶

15. Is it possible that employees would commit fraud by misrepresenting a relationship to obtain benefits for persons who are not their domestic partners?

There are disincentives to such lies, and such fraud has not been reported by public or private sector employers. Employees are typically required to sign a legally binding statement attesting to the existence of a partnership. That affidavit can be used to exact repayment from any employee who fraudulently receives domestic partner benefits.

²⁶ Thomas, "What Campuses Can Offer: Domestic Partner Benefits"

Further, individuals in same-sex partnerships may be reluctant to identify themselves to their employer as gay. In the absence of a comprehensive state or federal law protecting employees from discrimination on the basis of sexual orientation, such a disclosure may bring discrimination. This means that it is unlikely that an employee would claim a relationship falsely.

Finally, there is no reason to assume that domestic partners are any more likely to falsify a partnership than married couples. Married couples are often not required to provide any proof of marriage, unlike domestic partners who may be required to show various legal and financial documents attesting to their relationship.

16. In 1994, the Board of Trustees passed a resolution against domestic partner benefits.²⁷ What has changed since that time?

As documented throughout this report, society's and employers' recognition and understanding of gay and lesbian relationships, as well as of the merits of domestic partner benefits in terms of basic fairness and as a way to remain competitive in attracting and retaining employees, have advanced dramatically since 1994, when the number of employers offering the benefits was far smaller.

The Trustees' resolution of 1994 cited costs as a primary concern. If this was ever a valid concern, it is no longer one, as demonstrated by the documentation provided herein and by the experiences of hundreds of major employers that have adopted domestic partner benefits.

The 1994 resolution also implied that it would be inappropriate to extend benefits to domestic partners without also covering other categories of dependents. While such a broadening of insurance coverage may indeed be a worthy policy and goal, the argument that it must preclude adopting domestic partner benefits is disingenuous and something of a red herring, as demonstrated by the widespread adoption and acceptance of domestic partner benefits in hundreds of the nation's largest and most

²⁷ "WHEREAS, The Bloomington Faculty Council has recommended that health care and other employee benefits be extended to domestic partners of employees of Indiana University and children of domestic partners of employees of Indiana University; and

"WHEREAS, The Trustees have previously indicated that they do not intend to expand the definition of persons currently eligible to receive health care and other employee benefits; and

"WHEREAS, The Trustees have concluded that in these difficult financial times employee benefits should not be expanded when the result is the potential for increased costs to employees and the University; and

"WHEREAS, The Trustees find no compelling reason to extend health care and other employee benefits to domestic partners and children of domestic partners without extending such benefits to other categories of dependents such as parents, siblings, or other relatives, not currently eligible for health care and other employee benefits.

"NOW, THEREFORE, BE IT RESOLVED: Health care and other employee benefits will not be extended to cover domestic partners of employees of Indiana University and children of domestic partners of employees of Indiana University."

respected universities, Fortune 500 companies, and other employers. Same-sex couples living in relationships that are in every way comparable to marriages are a manifest social reality. Employers recognize that as long as benefits are made available to the spouses of married employees, fairness dictates that they also be made available to domestic partners who are in committed relationships but who are not allowed to marry.

17. Before addressing domestic partner benefits, shouldn't the University address the issue of non-full-time employees who currently do not receive benefits?

The questions of benefits for employees with domestic partners and benefits for part-time or hourly employees present quite different issues, both in terms of costs and equity.

As documented above and in Table 1, the number of employees seeking coverage for domestic partners is likely to be quite small – less than 1%, or a few dozen -- and to make a practically insignificant difference in the University's insurance costs.

The University has, systemwide, 254 appointed part-time staff, approximately 80 of whom are appointed at greater than .5 FTE, and 1,931 part-time faculty members; there are approximately 5,000 hourly non-student and 7,000 hourly student employees. While it is difficult to know exact numbers, it can be assumed that some share of these hourly employees is working at least half-time, and some close to full-time. (The Trustees already are on record expressing their sense that employees working 40 hours per week should be appointed as full-time, not hourly, employees.²⁸)

Addressing benefits for non-full-time employees would indeed be a worthy undertaking. But the costs would be considerably greater than for adding domestic-partner coverage. University administrators have not indicated they are prepared to address the issue of coverage for part-time employees at the current time.

Lack of domestic partner coverage also presents an "equal pay for equal work" issue that is not present for most part-time or hourly employees. Currently, an employee with a spouse who is eligible for insurance coverage enjoys significantly greater overall compensation from the University than an employee with a domestic partner, even though the two employees may perform identical work at the same FTE. Given these realities, and given that the facts and dimensions of two issues are not comparable, the argument that domestic partner benefits should be deferred until the part-time benefits issue is addressed is not persuasive.

²⁸ Resolution adopted September 17, 1998

18. What is Indiana law regarding the authority of university trustees and about benefits at institutions of higher education?

It is well-established that state universities in Indiana have broad powers to create and maintain their own personnel and benefits policies.

Among other powers and duties, a state university board of trustees is “authorized to employ such officers, faculty, employees, consultants and counsel as it may deem necessary or convenient to aid in the formulation and implementation of its policies and to execute its will within its particular institution.” (IC 20-12-1-4) Except for a chapter added in 1999 dealing with early intervention services and “first steps” children (IC 20-12-3.2, “State Educational Institution Employee Health Plans”), the code appears to prescribe neither mandates nor limitations on matters of benefits or other compensation for state university employees.

The section of the state code dealing with “Group Insurance for Public Employees” (IC 5-10-8) explicitly notes that the chapter is not intended to apply to state institutions of higher education. (IC 5-10-8-1 [7]) Such institutions are recognized in state law as having greater autonomy in group insurance matters than are other state agencies.

In the chapter authorizing the state Commission for Higher Education, the code states: “The commission shall have no powers or authority relating to the management, operation, or financing of [state universities] except as expressly set forth in the chapter. All of the particulars, management, operations, and financing of all state educational institutions shall remain exclusively vested in the trustees or other governing boards or bodies of these institutions.” (IC 20-12-0.5-11)

19. Do any other universities or public employers in Indiana offer domestic partner benefits?

Domestic partner benefits for same-sex couples have been offered since 1997 by DePauw University in Greencastle. A committee at Purdue has forwarded a recommendation for such benefits to President Martin Jischke. The City of Bloomington has offered domestic partner benefits to same-sex and opposite-sex couples since 1997.

20. Have domestic partnership policies enacted by public entities been legally challenged?

Courts across the country have upheld the legality and appropriateness of domestic partner programs enacted by public entities unless the programs directly conflict with state statutes. Arguments that DP recognition by public agencies conflicts with a state’s right to regulate legal marriage have repeatedly been defeated.

In April 2001, the Florida Supreme Court upheld Broward County’s domestic partner ordinance, which created a domestic partner registry and provides health and other

benefits for partners of county employees, against a claim that the county had exceeded its authority by creating a “marriage-like” relationship. (*Lowe v. Broward County*)

In February 2001, a Wisconsin Court of Appeals unanimously upheld the Madison Metropolitan School District’s policy that provides benefits to “designated family partners” of district employees. The court ruled that the domestic partner plan complied with state statutes defining the district’s policy-making authority and regulating health insurance benefits for public employees, and dismissed an argument that the benefits plan conflicted with Wisconsin’s purported public policy of “favoring marriage.” (*Pritchard v. Madison Metropolitan School District*)

In November 1999, a New York appeals court unanimously upheld the legality of a New York City domestic partner ordinance. The ordinance had been challenged by a conservative religious group that argued the ordinance interfered with state marriage statutes. (*Slattery v. City of New York*)

In September 1999, a Georgia trial judge on summary judgment rebuked the Georgia Insurance Commissioner’s attempts to block implementation of Atlanta’s domestic partner ordinance, ordering him to lift his statewide ban on domestic partner coverage in insurance policies. (*City of Atlanta v. Oxendine*)

In May 1999, a federal district court ruled against two challenges to the City of San Francisco’s ordinance that prohibits the city from contracting with firms whose benefit plans discriminate based on the marital status or sexual orientation of employees. (*Air Transport Association v. San Francisco*; *S.D. Myers v. San Francisco*)

In March 1999, the Illinois Appellate Court ruled unanimously that the City of Chicago has the authority to provide health care insurance and other essential benefits to its lesbian and gay employees and their families. The ruling marked the third defeat since 1997 for a group seeking to stop such benefits coverage for city workers. (*Crawford v. City of Chicago*)

21. Should unmarried employees with partners be given the same status as married couples? Is it proper for the University to recognize a status that isn’t recognized by Indiana law?

Same-sex relationships are not granted legal status by the state governments of Michigan, Iowa, Minnesota, or any other state, with the exception of Vermont²⁹, where a public university offers partner benefits to same-sex couples. As documented above, courts have repeatedly held that domestic partner benefit programs, including those enacted by public employers, do not conflict with a state’s right to regulate marriage.

²⁹ In 2000, Vermont became the first U.S. state to legalize “civil unions” for same-sex couples. Civil unions are legally identical to marriage in Vermont in that they provide the same benefits, legal protections, and obligations that the State bestows with a marriage license (though the status is not transferable interstate as is marriage). At least some states are likely to follow Vermont’s lead in the future.

DP benefit programs also are in place at public employers in states, e.g. Michigan, where there is no state law that recognizes gays as a “protected class” against employment discrimination.

The number of Americans living in unmarried partner households is large and growing more rapidly than the number living in married households, according to data from the U.S. Census. Data from the 2000 census, which almost certainly underestimate the actual numbers, show a major jump in self-reported gay and lesbian couple households: 472,289 in 2000, as compared to 121,346 in 1990. Bloomington was reported as among the nation’s top 20 metropolitan areas in its proportion of same-sex couple households.³⁰

Domestic partner benefits offer an easy method for employers to adapt to the changing needs of their employees by simply expanding the eligibility for existing benefits programs. If one purpose of a benefits program is to provide a safety net for employees and their families, thereby enabling employees to focus better on work, a plan that does not include domestic partner benefits ignores a growing portion of the workforce.

22. What about religious or moral objections to recognizing homosexuality or homosexual relationships?

Homosexuality and same-sex relationships are facts of modern life.³¹ According to the American Psychological Association: “How a particular sexual orientation develops in any individual is not well understood by scientists. Various theories have proposed differing sources for sexual orientation, including genetic or inborn hormonal factors and life experiences during early childhood. However, many scientists share the view that sexual orientation is shaped for most people at an early age through complex interactions of biological, psychological and social factors.”³²

In response to the question of whether sexual orientation is a choice, the APA says, “No. Sexual orientation emerges for most people in early adolescence without any prior sexual experience. And some people report trying very hard over many years to change their sexual orientation from homosexual to heterosexual with no success. For these reasons, psychologists do not consider sexual orientation for most people to be a conscious choice that can be voluntarily changed.”

Gay and lesbian faculty, staff, and students are a vital part of the University’s life, and have been so from the beginning. As a public institution, the University must respect the views of a broad variety of constituents and citizens. But this does not override its obligation to enact policies that will effectively further and enhance its core missions.

³⁰ Reteurs news service story, August 2001

³¹ There are sometimes legal misconceptions about homosexuality that still remain. Indiana maintains no law against “sodomy,” and in the three states where such laws still do target homosexuals, they are seen as legal relics and rarely if ever enforced. An anti-gay sodomy law recently was struck down in Arkansas.

³² “Answers to Your Questions About Sexual Orientation and Homosexuality,” American Psychological Association, <http://www.apa.org/pubinfo/answers.html>

Moreover, as a public institution, it is not appropriate – indeed, it would arguably be unconstitutional -- for the University to be hindered in important policy decisions by sectarian religious objections espoused by small but vocal groups outside or inside the University.

In 1997, after the City of Bloomington implemented domestic partner benefits, a religious-conservative activist from Indianapolis invited local pastors to a luncheon to plan opposition to the decision. In response, 16 local ministers, representing many of Bloomington's largest and oldest Christian congregations, signed a letter in the Bloomington *Herald-Times*³³ that said, in part:

[W]e have significant reservations about the manner in which a particular segment of our community may be singled out for moral outrage and discrimination. We believe this meeting and approach will unnecessarily polarize the religious community....

As Christian ministers we believe:

- 1) There are diverse ways to understanding and addressing moral issues, even within the Gospel tradition. Evidence of this diversity is found within the Gospel itself and early church history.
- 2) In light of the rich history and depth of Christian belief and practice, no one group of Christians can present itself as the definitive voice for all Christians.
- 3) While Jesus confronted places where sin and death wounded the world, his ministry was centered in love and compassion for others, rather than denunciation. To use the moral teachings of Jesus to exclude people from the basic rights of society is a grave insult to the Gospel of reconciliation.
- 4) Manipulation of church communities by individuals and groups from outside those church communities is morally reprehensible. We are saddened to see the Gospel being employed in this manner.
- 5) We support public policies and legislation that establish and protect the rights of citizens, many of whom are loved and devoted members of our communities of faith, all of whom are precious to God. We especially stand with those who are in danger of being marginalized or excluded from the benefits of society.

To further address the religious issue on its own terms, it is worth considering a letter written to Cummins CEO Tim Solso by J. Irwin Miller, a former Cummins CEO and Chairman and a member of the company's founding family.³⁴

³³ "A pastoral letter," Bloomington Herald-Times, May 17, 1997

³⁴ As read by Solso at his IU lecture

Dear Tim:

As a result of our conversations and my review of your new memorandum, "Domestic Partners Policy," I am thoroughly in favor of the changes outlined in this policy and support you in its implementation.

As a business issue, I understand the need to reach out to all members of the potential workforce to find the very best people to work for Cummins. The best

talent has never come from one segment of the population, whether defined by race, gender or other aspects of a person's background. The company must be an inclusive employer, able to attract and retain a diverse group of people who respect and value each other's differences.

As for myself, I have read and studied all the frequently quoted passages from the Bible about this subject: Genesis 19, Leviticus 18 and 20, Romans 1, I Corinthians 6, and Timothy 1 and considered them in their time and place.

In John 8, the account is given of Jesus and the woman taken in adultery, a violation of the Law of Moses and described in Leviticus 20, the penalty for violating which is stoning to death. I doubt if many of us today would favor the death penalty commanded for the many offenses described here, but would be more likely to follow the example of Jesus when confronted with the same offense and same law. He explicitly violated this "Law of Moses" when he said, "Neither do I condemn you. Go, and sin no more."

I have also tried to be obedient to the timeless words of Jesus: 'Love your neighbor as yourself,' love as yourself your 'enemies,' those whom you do not like, those who have offended you, those with whom you disagree.

The subject of this policy is in harmony with my own understanding of the Gospel. God is our Creator. He loves us all, saints and sinners alike. He is pleased by the 'righteous' and grieved by the 'unrighteous,' but he loves them nonetheless.

This policy, in my opinion, does not judge any individual in the company but tries to see that all are treated equally and fairly. Judgment is not for us to pass but for God.

Sincerely,
Irwin

23. What about potential public, political, employee, or alumni opposition to domestic partner benefits?

Hoosiers and Americans are essentially fair-minded, especially when they are provided with accurate and dispassionate information about an issue. The idea that there is deep, widespread opposition to the principle that gays and lesbians should have the same basic rights that most other Americans take for granted is a myth, both in Indiana and

“We commend Cummins for having the courage to follow the right path.... It is only fair that unmarried employees in long-term relationships receive the same benefits as married workers. Employers should not favor one type of sexual orientation or living situation over another..... It is a matter of acknowledging employee differences and accommodating them.”

-- Indianapolis Business Journal

nationally. It is a myth sadly perpetuated by a few small but well-organized, vocal groups that seek to exploit anti-gay prejudice to advance their own agenda.

A 1998 statewide, scientific poll by IU's Center for Survey Research found that 89% of Hoosiers agreed with the statement, "The gay and lesbian citizens of our state should have equal rights in terms of job opportunities."³⁵ This finding was consistent with national polls that have asked the same question.

In 1999, the CSR found that a majority of Hoosiers – almost 60% -- said they would either agree with the decision or it "wouldn't matter" to them if "state universities or other public employers in Indiana began offering domestic partner benefits to their gay and lesbian employees."³⁶

Nationally, 61% of Americans believe there should be "health insurance and other employee benefits for gay spouses."³⁷

Indeed, recent studies of public opinion show that two-thirds of all Americans believe legal same-sex marriage will eventually become a reality in the United States. A majority – 56 percent – of college freshmen nationwide now support fully legalizing same-sex marriage.³⁸

The state's politics also increasingly reflect broader social change. On August 1, 2001, Governor Frank O'Bannon signed a policy statement prohibiting discrimination on the basis of sexual orientation for all executive branch employees. In 2000, the Indiana General Assembly approved and Governor O'Bannon signed a hate-crimes data gathering law that includes sexual orientation as a bias category. Also in 2000, Indiana US Senators Richard Lugar (R) and Evan Bayh (D) joined a majority of the Senate in voting for federal anti-hate crimes legislation that included sexual orientation as a protected category. Senator Bayh, a former Governor well-known as a moderate "New Democrat," also is a co-sponsor of the federal Employment Non-Discrimination Act, which would prohibit discrimination in employment on the basis of sexual orientation, and, as a Senator, has maintained a 100% rating on issues of concern to the Human Rights Campaign, the nation's largest and most influential gay and lesbian political organization.

³⁵ Indiana Poll, Indiana University Center for Survey Research, November 1998

³⁶ Indiana Poll, November 1999

³⁷ Princeton Survey Research Associates poll for *Newsweek* magazine, July 30-31, 1998

³⁸ E.J. Graff, "Civil unions are homemaking here for a reason," *Boston Globe*, 2/11/2001

It is, of course, the duty of the administration and Trustees to make decisions they find to be in the best interests of the University, even when not all of these decisions are universally popular. We believe, though, that the decision to offer domestic partner benefits would be received positively by the University family.

The Communication Workers of America, which represents IU clerical and technical staff, offers domestic partner benefits to its own employees. A resolution passed at a recent CWA national convention called on the federal government "to end the discriminatory taxation of employee benefits that now affects workers who receive domestic partner benefits, regardless of sexual orientation or marital status." In a 1998 speech to a Blue Cross Blue Shield meeting, CWA national president Morton Bahr pledged, "We will seek improved health care benefits on a company-by-company basis, including domestic partner coverage."³⁹ Nationally CWA also has cut its ties with the Boy Scouts over that organization's policy of discriminating against gay members.

The IU Alumni Association has recognized an official gay/lesbian/bisexual/transgender affiliate group since 1997. (The group counted 308 members as of July 2001.) After the IUAA published a prominent article about gay alumni in its magazine in 1999, the magazine editor reported receiving only four negative letters, and twice as many positive ones, along with many positive e-mails and other communications. Only one objector tendered his resignation from the IUAA.⁴⁰

It is worth noting that after the United Way of Monroe County board voted last fall to remove the Boy Scouts from its list of agencies because of the Scouts' policy banning gays from membership, critics predicted that many people in the local community would indicate their displeasure and "punish" United Way by withholding their support. Instead, UWMC announced in mid-March that its just-ended annual fund drive had set a new record.⁴¹

In a recent four-year study of student political, cultural, and religious attitudes on 12 college campuses including IU, IU stood out among the schools in the level of changing attitudes toward homosexual issues. In 1995, 58 percent of the IU freshmen surveyed agreed with the statement, "Relationships between male homosexual couples or female homosexual couples should not be granted the same legal standing as traditional marriage between heterosexuals." By 1998, only 35 percent of IU students agreed with that statement.⁴²

³⁹ Information gathered from the CWA web site, <http://www.cwa-union.org>

⁴⁰ "Pioneering article well received by alumni," *Reaching Out* (newsletter of the IU GLBTAA), Spring 2000, p. 3. "I didn't print the [resigning member's] letter," *Indiana Alumni* magazine editor Judy Schroeder told an interviewer for the story, "but I showed it to [IUAA executive director] Jerry Tardy. He said, 'We've lost far more members over Bob Knight than we're going to lose over this issue!'"

⁴¹ Jason Nickey, "United Way fund drive sets record," Bloomington *Herald-Times*, March 21, 2001

⁴² As reported in a column by Mike Leonard in the Bloomington *Herald-Times*, reprinted with permission in *Reaching Out*, Fall 1999

Last fall, a group of 35 IU students participating in SPEA's Washington Leadership program chose to research and prepare a proposal that the University extend benefits to same-sex domestic partners. (We have incorporated their work into our working group.)

An editorial in the *Indianapolis Business Journal* last April praised Cummins' decision to offer domestic partner benefits as "gutsy" and challenged other Indiana employers to show similar "leadership and help usher Indiana's employee rights into the 21st century."⁴³

We commend Cummins for having the courage to follow the right path, in spite of the opposition it has encountered in its conservative home community. It is only fair that unmarried employees in long-term relationships receive the same benefits as married workers. Employers should not favor one type of sexual orientation or living situation over another. Offering domestic partner benefits is not unlike allowing employees of various religious faiths time off to observe their own sacred days. It is a matter of acknowledging employee differences and accommodating them.

To quote Cummins CEO Tim Solso once again:

We also want to be certain that when qualified people consider an offer of employment with Cummins that they see a place where they can make a contribution free from judgment about personal matters outside of work.

Our policies are not designed to change personal values. Rather, they are designed to foster an atmosphere of fairness and professional respect at work.

The University can manage negative reactions by anticipating criticism and being prepared with facts and persuasive arguments. Domestic partner benefits are simple equal pay for equal work, a tool for attracting and keeping the best faculty and staff, and a means of improving employee productivity.

24. The University has gone through several public controversies over the last year and a half. Is this the right time to act on domestic partner benefits?

The issue of domestic partner benefits is not going to go away, supported as it is by a groundswell of faculty, staff, and students – individually as well as through their representative organizations -- who look to the administration and Trustees for leadership, and who believe it is time for the University to do the right thing – in the interest of fairness, as well as the University's competitive position as an employer.

It is true that some recent events, administrative decisions, and media commentaries have unsettled some members of the University community, not least of all those who work and study here. By contrast, enactment of domestic partner benefits would be an

⁴³ "Indiana needs more gutsy companies like Cummins," *Indianapolis Business Journal*, April 10-16, 2000, p. 12A

action welcomed by the vast majority of faculty, staff, and students, as well as by thoughtful citizens and state opinion leaders. It would strongly underscore that Indiana University is committed to fairness and diversity; that its administration and trustees recognize and keep pace with realities in the business world, higher education, and human resources; and, most importantly, that it is indeed a place with the spirit of humanity and sense of community that have drawn generations of talented, loyal people from across Indiana and around the world to its campuses.