

# Summary Report on Domestic Partner Benefits (DPBs)

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## Definition

- domestic partners are non-blood relatives who share the same residence, intend to do so indefinitely, are not currently married to someone else, who consider themselves jointly responsible for the welfare of each other, and are each others' only domestic partner (Flynn 1998; Mackey 1994)
- many companies require an affidavit of spousal equivalency and a 6-month waiting period after a break up (Flynn 1998; Mackey 1994)
- domestic partners are often required to show proof of a shared material life, e.g., shared bank accounts, leases, etc. (Badgett 2000)

## Cost Issues

- domestic-partner benefits usually cost between 1% and 3% of the overall cost of the benefits package; i.e., the costs go up by 1% of the total prior to adding domestic partner benefits (Bull 2000; Flynn 1998; Goldblatt 1994; Henneman 2005; Kiger 2004; Liebeskind 2000; Shinkman 1997; Badgett 2000; Human Rights Campaign Foundation 2007)
- 56% of employers saw a 1% or smaller increase in enrollment; 19% saw a 2% enrollment rate or lower for domestic partners (Badgett 2000)
- National Collegiate Athletic Association added domestic partner benefits at a cost of \$10,000 per year, out of a total health care budget of \$2.9 million (Klineman 2004)
- cost is still less than 3% when opposite-sex domestic partners are added (Klineman 2004; Badgett 2000); average is 2.1% for both same and opposite sex, .4% for same-sex only (Badgett 2000)
- same-sex couples are less likely to use domestic partner benefits than married couples as partners are more likely to work and receive benefits at their own jobs, making the cost even less than that for married couples (Mackey 1994; Badgett 2000)
- up to 40% of an employee's compensation is benefits; if someone is denied those benefits, they are essentially taking a 10% pay cut (Adams 2002; Steward 2003)
- 2.5% of men and 1.4% of women are homosexual; the "take-up" rate of employees (the percentage of a companies employees that would actually use the benefits) would be around 1.4% (Gates 2001)
- health insurance companies claim the cost to them for adding domestic partners is next to nothing as the rate of adoption is so low (Goldblatt 1994)
- concern over HIV/AIDS is negligible as few people with AIDS end up on the rolls and the costs of complicated pregnancies and births are far more expensive (Klineman 2004; Mackey 1994; Badgett 2000)
- hiring a new employee costs between \$3,310 and \$6,359; losing a worker of ten years costs about \$3,000 in training; combined, these two expenses offset the cost of offering domestic

partner benefits (Badgett 2000)

## Legal Issues

- federal law makes domestic partner benefits difficult to provide; The Defense of Marriage Act states for purposes of federal law, the word "marriage" means only the legal union between a man and a woman as husband and wife. The word "spouse" refers only to a person of the opposite sex who is a husband or wife. (Flynn 1998)
- the federal tax code doesn't recognize domestic partners as beneficiaries of retirement plans (Flynn 1998; The Advocate 2007; Human Rights Campaign Foundation 2007)
- IRS ruled that domestic partner benefits were taxable benefits unless the domestic partner qualifies as a dependent of the employee (Flynn 1998; Kapp and Burkholder 2008; Klineman 2004; Mackey 1994; Human Rights Campaign Foundation 2007)
- same-sex domestic partners cannot file taxes jointly, like a married couple, which may increase their tax burden (Human Rights Campaign Foundation 2007)
- Issues Resulting from Anti-Gay Amendments:
  - Michigan universities found a way around offering domestic partner benefits when a state law prohibited gay marriage (Bradley 2007; Levinson 2007)
  - Miami University (in Ohio) was sued for offering same-sex domestic partner benefits after Ohio passed an anti-gay marriage amendment, but the case was thrown out of court and has not been attempted again (Shuppy 2006)
- Issues in Tampa:
  - July 6<sup>th</sup>, 2001, a lesbian police officer in Tampa was shot and killed; her partner was denied rights, initially, because of Tampa law at the time (Bull 2001)
  - as of 2004, the city of Tampa offers domestic partner benefits to both same-sex and opposite sex couples (Varian 2004)
- Gay-Friendly Court Decisions
  - Montana's state university system has to offer same-sex domestic partner benefits if it offers opposite-sex domestic partner benefits (Bradley 2005)

## Business Benefits

- companies see domestic partner benefits as a way of recruiting some of the best employees in a highly competitive job market (Bull 2000; Flynn 1998; Henneman 2005; Joslyn 2008; Kiger 2004; Mackey 1994); this is also true of universities (Goral 2006)
- many nongay employees are asking about how gay and single people are treated; they don't want to work in a stressful environment (Bull 2000; Kiger 2004)
- heterosexual employees use the presence or absence of domestic partner benefits as a barometer for diversity (Henneman 2005; Kiger 2004)
- Ottaway Newspapers Inc. (the Dow Jones & Co. Inc. subsidiary that owns the Standard-Times) granted domestic partner benefits in 2001 because it is (1) the right thing to do morally, and (2) good business sense as it helps in hiring and retention (De La Harpe 2000; Liebeskind 2000)
- domestic partner benefits reinforce a companies' policy of nondiscrimination by illustrating that the company's deeds match its rhetoric (Flynn 1998; Goldblatt 1994; Kiger 2004; Klineman 2004; Mackey 1994; Badgett 2000)
- domestic partner benefits don't protect a company from sexual-orientation lawsuits, but they do illustrate that a company is trying to accommodate homosexual individuals and treat them equally, which may reflect favorably if a lawsuit arises (Flynn 1998; Mackey 1994)

- offering domestic partner benefits reduces the tension of not having partners insured and discrimination (Goldblatt 1994)
- at Fortune 100 tech firms, 90% of those polled said domestic partner benefits would increase the likelihood that they will stay at the company (Kiger 2004)
- there is substantial evidence that domestic partner benefits and anti-discrimination laws retain good employees (Henneman and Coleman 2005; Kuhr 2006; Badgett 2000; Human Rights Campaign Foundation 2007)
- nearly 90% of Fortune 500 companies provide workplace protections based on sexual orientation (Human Rights Campaign Foundation 2007)
- Benefits for Universities Specifically:
  - university towns tend to have high concentrations of gays/lesbians (Gates and Ost 2004)
  - business schools are now rated on how gay-friendly they are; top-rated schools include: Harvard, Stanford, Dartmouth, University of Pennsylvania, UCLA, and MIT (Merritt 2003)
  - When the board of trustees at Virginia Tech rejected a contract for a new dean's lesbian partner without justifiable reason (it appears to have been because she is a lesbian), faculty reported an atmosphere of suspicion and fear and many said they were leaving because of the hostility and discrimination (Steward 2003)
  - gay-friendly policies factor into faculties decisions when looking for schools to apply to (Steward 2003); some faculty leave universities when they do not provide domestic partner benefits (Wilson 2004)

## Pervasiveness

- History of DPB in Corporations:
  - first company to offer domestic partner benefits was the Village Voice newspaper in 1982 (Klineman 2004); the first publicly traded company to do so was Lotus, now part of IBM, in 1992 (Kiger 2004; Noble 1992); tech companies were the first to adopt domestic partner benefits (Mackey 1994)
  - in 1990 2 of the Fortune 500 companies offered domestic partner benefits (Henneman 2005; Badgett 2000)
  - in 1994 about 60 companies offered domestic partner benefits (Goldblatt 1994)
  - 1 in 10 large companies offered domestic partner benefits in 1997 (Hayes 1997)
  - 3,400 employers offered benefits in 2000; 1996 it was fewer than 500 (Bull 2000; Badgett 2000)
  - In 2000, 102 of the Fortune 500 companies offered domestic partner benefits (Gates 2001)
  - June 2000 the big three US automakers – GM, Ford, DaimlerChrysler – gave domestic partner benefits to their employees (Gates 2001)
  - in 1994, only 10 media companies offered domestic partner benefits; as of 2000, 69 did, including The St. Petersburg Times in Florida (Liebeskind 2000)
  - in 2004, 8,250 employers offered domestic partner benefits, making up 29% of corporations; 216 of Fortune 500 offered domestic partner benefits (Henneman 2005; Briscoe and Safford 2005)
  - as of 2008, over 50% of Fortune 500 companies offer domestic partner benefits (Joslyn 2008; Weinstein 2007)
  - increase in the number of companies offering the benefits is driven primarily by the strong US economy (Bull 2000)

- History of DPBs in Universities:
  - in 2006, more than 300 institutions of higher education in the US offered domestic partner benefits, out of about 4,000 (Goral 2006; Steward 2003)
  - in 2007, of the Top 125 colleges and universities based on US News and World Reports, 90% offer domestic partner benefits (Human Rights Campaign Foundation 2007)
  - despite being likely to offer domestic partner benefits, universities are still not entirely safe and welcoming places for GLBT students, faculty, and staff (Rankin 2003)
- most health insurance companies offer domestic partner benefits (Goldblatt 1994); there are at least 4 in every state (Klineman 2004); in fact, while they offer domestic partner benefits to be competitive, they don't see this as a money-maker because so few people buy the plans and they aren't more expensive than traditional plans (Shinkman 1997)
- over 30% of non-profit organizations offer domestic partner benefits as of 2004 (Joslyn 2008; Klineman 2004)

## Discrimination

- Public Opinion:
  - 88% of Americans believe homosexuals should be protected from workplace discrimination (Latellir 2003)
  - 60% of Americans believe same-sex couples should have the same legal rights as married couples (Latellir 2003)
- Discrimination:
  - homosexuals without domestic partner benefits feel like second class citizens: they do the same work as their heterosexual colleagues but do not receive the same benefits (De La Harpe 2000; Wilson 2004)
  - proponents of civil marriage for same-sex couples encourage commitment, stability, and child rearing; denying them the option of marriage and domestic partner benefits amounts to disparate treatment for essentially equal households (Gates and Ost 2004)
  - not offering domestic partner benefits to homosexuals is akin to not offering domestic partner benefits to blacks, women, or Mormons (Goldblatt 1994)
  - 1 in 4 same-sex couples is raising children; have, on average, 2 children per household; denying such families domestic partner benefits is discrimination and endangers the welfare of the children (Gates and Ost 2004)
- Basis for Discrimination is Ideological/Religious:
  - the Salvation Army rescinded benefits to same-sex partners due to criticism from conservative Christians; the Salvation Army now says it will not offer benefits because it is not in line with the Bible, preventing the organization from providing charitable services in cities that require equal benefits; critics consider the organization “antigay”; the Salvation Army also tried to negotiate a deal with the Bush Administration that would keep it from being blacklisted by the government for being a discriminatory organization (Ghent 2001; Gierach 2001)
  - The University of Pittsburgh has not offered domestic partner benefits for fear of offending state religiously conservative state legislators and losing state funding; this is not an issue of concern for private universities (Wilson 2004)
  - non-profits that don't offer domestic partner benefits or that don't have anti-discrimination policies on sexual identity alienate donors (e.g., the Boy Scouts of America); (Joslyn 2008)

- boycotts by conservative Christians against gay-friendly companies are ineffectual; they do not have the intended effect and die out quickly (Henneman 2005; Kiger 2004; Mackey 1994)

## **Abuse**

- In none of the articles I read could I find any discussion of domestic partner benefit abuse. I'm inclined to think this is a canard put forth by critics who oppose domestic partner benefits on ideological or religious grounds and not on any empirical evidence. Because qualification as a domestic partner requires a lengthy, complicated process that includes the provision of evidence, fraud or abuse of such a system is almost guaranteed to be so negligible as to be unworthy of actual discussion (see the section above on definition). This is a disingenuous attempt to undermine efforts at equality.

## **Directly Related to UT**

- Hillsborough Community College, Stetson University, University of Florida, University of Miami, Lynn, Rollins, Nova Southeastern, and Florida International offer domestic partner benefits
  - <http://www.theminaretonline.com/2.4620/1.447324>
- Faculty have voted twice in the past four years to endorse domestic partner benefits
  - <http://www.theminaretonline.com/2.4620/1.447323>
- at least one marketing professor (and a co-author of a current faculty member at UT) wouldn't interview at UT due to the lack of domestic partner benefits
  - personal communication from a professor (10/15/2008)
- at least one application for a faculty position in English turned down an offer to come to UT over domestic partner benefits
  - personal communication from a professor (10/15/2008)
- at least one UT alumnus has vocally expressed his dissatisfaction with the lack of action on the domestic partner benefits issue and said he would withhold donations until action took place
  - <http://www.theminaretonline.com/2.4597/1.447155>

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(all available here: <https://dl.getdropbox.com/u/91295/domesticpartnerbenefits.zip>)

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