

Date of Hearing: January 22, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1171 (Patel) – As Amended January 15, 2026

Policy Committee: Higher Education

Vote: 7 - 1

Urgency: No

State Mandated Local Program: Yes

Reimbursable: Yes

SUMMARY:

This bill makes several changes to the California Community College (CCC) Part-Time Community College Faculty Health Insurance Program (Program), most notably increasing access for part-time faculty and multi-district part-time faculty by establishing a statewide mandate for all community college districts (CCDs) to participate in the Program requiring them to offer all qualifying faculty reimbursements for health insurance.

FISCAL EFFECT:

- 1) Ongoing Proposition 98 General Fund cost pressures potentially in the tens of millions to low hundreds of millions of dollars annually to expand the Program to all eligible part-time faculty. This bill codifies an existing \$200 million annual budget act appropriation.

Historically, this appropriation has significant surplus every year, with the 2024-25 fiscal year requiring only \$69.5 million of the \$200 million total available. Therefore, existing funding for this program may be sufficient to fund costs created by this bill in the initial years of implementation. The California Community Colleges Chancellor's Office (CCCCO) notes that an estimated 10,000 to 25,000 additional faculty may become eligible for health benefits under the provisions of this bill. However, because the community college system does not have a statewide employment database to track faculty teaching loads across CCDs nor can it determine how many do not otherwise have existing health insurance coverage through their spouse, for example, it is impossible to calculate an exact estimate of cost exposure.

- 2) Ongoing Proposition 98 costs in the hundreds of thousands of dollars for CCDs, cumulatively statewide, to implement an expanded reimbursement model requiring employee eligibility verification and calculation of each district's reimbursement rate share.
- 3) One-time General Fund costs ranging between \$13,000 and \$58,000 for the CCCCCO to update its guidance and reimbursement forms pertaining to the Program, track eligible reimbursements across districts, and provide technical assistance.

COMMENTS:

Unlike the University of California and California State University systems, the CCCs rely heavily on part-time and multi-district faculty, defined as faculty with less than 67% of a full-

time teaching hours course load, determined through collective bargaining, and faculty may teach part-time course loads across multiple CCDs (“multi-district”).

Since 1996, the Program has provided health insurance to part-time faculty and provided participating CCDs with at least partial reimbursement from the state. More recently, in 2022, the Legislature expanded the program significantly, from an annual appropriation of \$490,000 to \$200 million, and increased the reimbursement share of each CCD’s cost from 2% of the cost to provide health insurance to part-time faculty up to 50 to 100% reimbursement, depending upon specified criteria. Additionally, part-time faculty may qualify for reimbursement for healthcare premium costs based on a formula prescribed in statute. According to data provided by the CCCCO, in the 2024-25 fiscal year, 49 of 72 total brick-and-mortar CCDs participated in the Program, with 27 receiving full reimbursement.

This bill would mandate participation in the Program for all CCDs, expand eligibility to all qualifying part-time and multi-district faculty, and provide full reimbursement to CCDs for the cost of providing health insurance to part-time and multi-district faculty.

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