

ASSEMBLY THIRD READING

AB 1171 (Patel)

As Amended January 15, 2026

Majority vote

SUMMARY

Repeals portions of an existing optional part-time community college faculty health insurance program and establishes a statewide mandated for community college districts to participate in a program designed to provide reimbursements for health insurance benefits to qualifying part-time faculty, multidistrict faculty, and their dependents at community colleges.

Major Provisions

- 1) Establishes a statewide mandate for community college districts to participate in a part-time community college faculty health insurance program where districts will offer all qualifying part-time and multidistrict community college faculty reimbursements for health insurance benefits.
- 2) Prohibits a part-time faculty or multidistrict part-time faculty, whose health insurance is paid for by another employer other than a community college district, from participating in the part-time community college faculty health insurance program.
- 3) Authorizes a community college district to provide a reimbursement of a determined amount to part-time faculty who have elected to self-purchase health care benefits. The district will reimburse the part-time faculty 50% of the health insurance premium paid by the part-time faculty member, up to the full cost of the district's most commonly subscribed family coverage plan.
- 4) Permits a community college district to require a part-time faculty member to provide documentation to verify the employee is enrolled in a health insurance plan and that the premiums for the health insurance plan are paid.
- 5) Maintains the existing multidistrict part-time faculty health insurance reimbursement program as described in existing law of this analysis; however, requires community colleges to participate in the multidistrict part-time faculty health insurance reimbursement.
- 6) Requires each community college to send verification to the Chancellor of the California Community Colleges (Chancellor) of the number of those participating in the part-time community college faculty health insurance program.
- 7) Requires by June 15 of each year for the Chancellor to apportion to each community college district the amount equal to the reimbursements provided by the community college district to part-time and multidistrict part-time faculty who have elected to participate in the part-time community college faculty health insurance program.
- 8) Authorizes the Chancellor to distribute funds that have been appropriated for the part-time community college faculty health insurance program to community college districts who have provided verification of the reimbursements provided to part-time and multidistrict part-time faculty and permits the Chancellor to allocate funding to the districts in an amount equal

to the reimbursements; but, prohibits the Chancellor from allocating funds in excess of the reimbursements as provided by the districts to qualifying faculty.

- 9) Returns at the end of the year any unused funds that are authorized for use by part-time community college faculty health insurance program to the General Fund.
- 10) Annually appropriates \$200 million from the State General Fund to the Board of Governors of the California Community College to be used exclusively for the part-time community college faculty health insurance program.

COMMENTS

The Existing Part-time Community College Faculty Health Care Program (program). In 2022, the Governor and the Legislature sought to increase the availability of state-funded, employer provided health insurance to part-time faculty. The Part-Time Faculty Health Insurance Program (program) was expanded to allow the participation of part-time faculty and multidistrict faculty whose course loads equaled 40% of a full-time course load. To accommodate the expansion in eligibility, the funding for the program was increased from \$490,000 to \$200 million annually.

For multidistrict faculty, a faculty member would self-purchase healthcare and then receive reimbursement from the various community college districts through a formula. The community college district (CCD) would then be eligible for State funding equal to either half or the full amount of the reimbursement that was provided by the CCD to the faculty. The formula to determine the amount the CCD would pay the multidistrict faculty is as follows: $(A/B)*C$

A = Total premium paid by the multidistrict part-time faculty.

B = Total number of district in which the multidistrict part-time faculty works.

C = Percent of health insurance cost paid by the district toward the total cost of the premiums for full-time faculty premiums or the most commonly subscribed premium offered by the district

The program places a cap on the total amount of reimbursement for multidistrict faculty for each CCD. The cap is equal to the total amount the district pays for the most commonly subscribed family coverage plan.

For non-multidistrict part-time faculty, the program allows a CCD to collectively bargain health insurance benefits the exclusive representation for part-time faculty and offers health insurance. The program places the responsibility on the CCD and the exclusive representation of the part-time faculty to negotiate the terms of the provision of health care benefits through the CCD's collective bargaining process. The CCD is entitled to provide any amount of coverage for the part-time faculty; however, the amount of funding the CCD receives from the State to aid in the provision of health insurance to part-time faculty is entirely predicated on the level of health insurance provided.

For a CCD to receive state funding equal to 100% of the total cost of providing health insurance to both multidistrict and part-time faculty, the CCD would have to meet the following requirements:

- 1) A CCD must offer the same health insurance coverage to all part-time faculty who have a minimum course load equal to 40% of a full-time course load;
- 2) A CCD must offer the same health insurance benefits to all faculty (part-time and full-time) who qualify; and,
- 3) The CCD must provide healthcare reimbursements to eligible multidistrict faculty, as illustrated above.

If a CCD does not meet the qualifications for full reimbursement from the state, the CCD will only receive 50% of the total cost of providing health insurance to both multidistrict and part-time faculty.

According to data provided by the Chancellor's Office of the CCC in the 2024-2025 fiscal year, 49 of the 72 brick and mortar CCDs participate in the program and provided 6,824 part-time faculty with health insurance benefits. The program also provided 125 multidistrict faculty with health insurance reimbursements. Of the \$200,490,000 appropriated for the program in the 2024-2025 fiscal year, only \$69,489,565 was dispersed to participating CCDs to cover the cost of the health insurance. 27 of the 44 CCDs who received state funding received an amount equal to the full cost of providing health insurance to their part-time and multidistrict faculty.

Need for the measure. When the program was instituted in 1996, the scope of the program was narrow: it only provided healthcare for faculty with a full-time course load between multiple CCDs. In 1996, it was estimated that 1,300 faculty were employed by two or more CCDs and of those only 900 would qualify for health insurance through the program. The 1996 Assembly Committee on Appropriations analysis estimate the program would cost \$1 million to provide health insurance to 900 faculty. Between 1996 and 2022, the participation in the program grew to 3,691 part-time faculty.

Since the modification to the program in 2022, participation in the program has increased by roughly 90% (6,947 faculty) with State reimbursements to CCDs nearly tripling in cost however, the total cost of the program, \$69.5 million in the current year, has never come close to the total amount provided by the State, the full \$200 million annually.

Concerns have been raised as to whether the existing annual appropriation of \$200 million from the State is enough to address a statewide mandate expansion as proposed by this measure. The proposed statewide mandate does not change the existing eligibility restrictions for the program. A faculty member who receives health insurance from a non-community college source is not eligible. A faculty member whose course load is less than 40% of a full-time load is not eligible for the program. However, due to the decentralized nature of the CCC and the existence of local governance, the State does not have a reliable method of tracking: 1) the number of part-time faculty employed by multiple CCDs; 2) the course loads of faculty (full-time nor part-time) across the CCC system; and 3) the number of faculty without access to health insurance who would benefit from this measure.

Without clear data on faculty workloads and classifications across the system, it is impossible to determine if the fears and concerns of a statewide mandate are founded; however, what is clear is the concept of a voluntary program has not resulted in the original intent of the Legislature – to provide healthcare to those faculty who are working full-time course loads across multiple

CCDs. AB 1171 would realize this intention by creating a statewide mandate health insurance reimbursement program for qualifying part-time and multidistrict faculty.

Please see the policy committee analysis for a full discussion of this bill.

According to the Author

As stated by the Author, "AB 1171 expands health care coverage for part-time community college faculty by implementing a multidistrict strategy and using existing Part-Time Faculty Health Insurance Program funds. It aims to improve healthcare access for adjunct faculty at California Community Colleges who teach across multiple community college districts and face challenges in obtaining adequate insurance. The bill maintains current eligibility requirements and budget protections."

Arguments in Support

Faculty Association of California Community Colleges states "AB 1171 promotes equity by ensuring that part-time faculty working instructional assignments equivalent to full-time positions receive comparable access to health care benefits, appropriately recognizing the critical role educators play in supporting student success and maintaining instructional quality. Aligning benefits with workload enhances faculty well-being, promotes workforce stability, and ultimately leads to better student learning outcomes. When educators have access to health care and other essential benefits, they are better positioned to focus on instruction and student engagement. When districts offer comparable access to health care benefits for part-time faculty, it strengthens recruitment and retention of qualified educators. As the demand for quality instruction grows, attracting and retaining skilled faculty becomes increasingly important. By extending benefits to part-time faculty whose workloads are equivalent to full-time positions, AB 1171 creates a more uniform state policy on health benefits for community college faculty, ensuring students have access to experienced and dedicated educators. While funding for this program already exists, approximately \$200 million, participation levels are expected to remain within this amount. Additionally, not all eligible part-time faculty are expected to enroll in the program. This bill would also require districts to reimburse part-time faculty and multidistrict faculty who purchase their own health insurance. Under AB 1171, districts would reimburse 50 percent of the health insurance premium paid by the faculty member, up to the cost of the district's most commonly subscribed family coverage plan."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Committee on Appropriations:

- 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.

VOTES

ASM HIGHER EDUCATION: 7-1-2

YES: Fong, Boerner, Jeff Gonzalez, Jackson, Patel, Ahrens, Sharp-Collins

NO: DeMaio

ABS, ABST OR NV: Muratsuchi, Tangipa

ASM APPROPRIATIONS: 12-3-0

YES: Wicks, Stefani, Calderon, Caloza, Fong, Mark González, Krell, Bauer-Kahan, Pacheco, Pellerin, Solache, Ta

NO: Hoover, Dixon, Tangipa

UPDATED

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