

---

## SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair  
2025 - 2026 Regular Session

---

### AB 1171 (Patel) - Part-Time Community College Faculty Health Insurance Program

**Version:** June 1, 2026

**Urgency:** No

**Hearing Date:** June 22, 2026

**Policy Vote:** ED. 7 - 0

**Mandate:** No

**Consultant:** Lenin Del Castillo

**Bill Summary:** This bill requires that any unspent program funds from the Part-Time Community College Faculty Health Insurance Program be deposited annually into a newly created fund, rather than be reverted annually to the General Fund, and requires that these deposited funds continue to be used for eligible program expenditures.

#### Fiscal Impact:

- The Chancellor's Office estimates Proposition 98 General Fund cost pressures in the hundreds of millions of dollars each year as a result of this bill. Specifically, there could be significant ongoing Proposition 98 General Fund costs resulting from the continuous appropriation of unspent Part-Time Faculty Health Insurance Program funds. Under current law, any remaining program funds after all eligible reimbursement claims are paid revert to the General Fund and made available for reappropriation. The Chancellor's Office also estimates additional, unknown Proposition 98 General Fund cost pressures to expand the program based on the legislative intent for all districts to commence negotiations by January 1, 2030. Depending on how many new districts participate in the program, an additional 10,000 to 25,000 adjunct faculty members could become eligible based on recent survey data. It is unclear whether the program's existing funding level would be sufficient to address the increased demand.
- There could be one-time General Fund costs ranging between \$13,000 and \$58,000 for the Chancellor's Office to update its guidance pertaining to the program, track eligible reimbursements across districts, and provide technical assistance.

**Background:** Existing law establishes the Part-Time Community College Faculty Health Insurance Program with the purpose of providing a state incentive program to encourage community college districts (CCDs) to offer health insurance for part-time faculty. "Health insurance benefits" are defined as medical benefits but do not include vision and dental benefits. Existing law defines "part-time faculty" as any faculty member whose teaching assignment is at least 40% of the cumulative equivalent of a minimum full-time teaching assignment.

Existing law permits the governing board of a CCD to provide health insurance for part-time faculty, multidistrict part-time faculty, and their dependents. The law prohibits a part-time faculty, multidistrict faculty member, or their dependents from participating in the Part-Time Community College Faculty Health Insurance Program if their premiums are paid by an employer other than a CCD.

Existing law requires a CCD to reimburse a multidistrict part-time faculty member for the CCD's proportionate share of the total health insurance premium paid, and permits a CCD to require reasonable documentation from the multidistrict part-time faculty member, as specified.

**Proposed Law:** This bill requires any unspent funds from the Part-Time Community College Faculty Health Insurance Program to be deposited annually into the Part-Time Community College Faculty Health Insurance Program Fund, rather than be reverted back to the General Fund.

This bill creates the Part-Time Community College Faculty Health Insurance Program Fund to be continuously appropriated, without regard to fiscal year, for the purpose of apportioning funds to CCDs for eligible expenditures for the Part-Time Community College Faculty Health Insurance Program, until reappropriated or reverted by the Legislature through the annual budget act or any other act.

This bill provides that it is the intent of the Legislature by January 1, 2030, each CCD commence negotiations with the exclusive representatives for part-time community college faculty to offer health insurance benefits to part-time and multidistrict part-time community college faculty and their eligible dependents.

**Related Legislation:** AB 190 (Committee on Budget, Chapter 572, Statutes of 2022) expanded the program to include eligible part-time faculty working across multiple districts and allowed eligible CCDs to receive up to 100 percent reimbursement for the employer share of costs of offering health insurance to part-time faculty.

**Staff Comments:** The Part-Time Community College Faculty Health Insurance Program encourages CCDs to offer health insurance for part-time faculty. Prior to the 2022 Budget Act, the program received an annual appropriation of \$490,000 and was heavily oversubscribed, with participating CCDs being reimbursed for only a fraction of the cost of providing health insurance to part-time faculty. The 2022 Budget Act expanded the program to include eligible part-time faculty working across multiple districts and added \$200 million for the program for a total of \$200.5 million. However, despite increased participation in the program over the past several years since 2022, savings from the Part-Time Community College Faculty Health Insurance Program continue to be significant. There was approximately \$130 million in savings in 2024-25 and over \$100 million in savings is projected for 2025-26.

-- END --