

ASSEMBLY THIRD READING  
AB 2417 (Zbur)  
As Introduced February 20, 2026  
Majority vote

## SUMMARY

Requires a community college district (CCD) to provide part-time faculty with the option of membership in the State Teachers' Retirement System (CalSTRS) Defined Benefit (DB) Program, the Cash Balance (CB) Benefit Program, if offered, or social security, and the California Community Colleges Chancellor's Office (CCCCO) to work with CalSTRS and the California Public Employees' Retirement System (CalPERS) to develop informational materials regarding the available retirement benefit options and social security.

### Major Provisions

- 1) Require the CCCCCO to work with CalSTRS and CalPERS to develop informational material regarding:
  - a) The differences between membership and contributions made to the above-described retirement options.
  - b) Examples covering the amount of time required to vest in benefits offered by those retirement options.
  - c) Examples of the impact of having credits provided to social security.
- 2) Provide that the provisions of this bill do not limit a CCD from offering an alternative retirement option in addition to those programs.
- 3) Define various terms for these purposes.

## COMMENTS

### *Part-time faculty at the California Community Colleges (CCC)*

The CCC is the largest two-year system in the United States and educates roughly 2.1 million students between the 116 campuses located throughout the state. The 115 brick and mortar college campuses are divided into 72 districts managed by local governing boards comprised of locally elected trustees. Calbright College is overseen by the Board of Governors, which is the statewide governing board for all 116 colleges and 73 districts. Each community college district's governing board, employs part-time, contract, and tenured faculty to fulfill the academic duties of the college within the community college district.

In fall 2025, the CCC employed 18,499 tenured/tenure track faculty and 40,902 part-time faculty. Part-time faculty represented 68.9% of the academic workforce at the community college. In February 2023, the California State Auditor published an audit titled, "*California Community Colleges: Increasing Full-Time Faculty and Diversity Remains a Challenge.*"<sup>1</sup> The

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<sup>1</sup> <https://information.auditor.ca.gov/reports/2022-113/index.html>

audit described the difference between part-time and tenured track/tenured employees by detailing that, "part-time faculty members are classified as Part-time employees and generally receive fewer employee benefits. Full-time faculty members are typically hired with the expectation that they will work to achieve tenure, which makes them permanent employees. Hiring part-time faculty allows colleges more flexibility to quickly meet changing educational demands in certain fields, but part-time faculty also face challenges that make it more difficult to provide the support their students need. Because colleges can hire part-time faculty faster and at less cost than they can hire full-time faculty, they frequently rely on part-time hiring to fill faculty positions in the short term. In 2021, the Chancellor's Office estimated that the average cost for compensation and benefits of a full-time faculty member was about \$131,000, whereas the average cost of a part-time faculty member who teaches a full load of 15 credits, but generally would not receive benefits, was about \$45,000. Part-time faculty members have less support from the college than full-time faculty members and are given fewer responsibilities."

To remedy the disparities between part-time and tenured track/tenured faculty, the Legislature has provided ongoing funding for: pay parity for comparable work for part-time faculty, compensation for part-time faculty's office hours, and the provision of health care to part-time faculty. The Legislature has also passed a myriad of legislative proposals requiring community college districts to have specific provisions pertaining to part-time faculty within the collective bargaining agreement for faculty. In the enacted 2025-26 State Budget Act, the State provided \$23.6 million for office hour compensation for part-time faculty, \$26.5 million for part-time faculty pay parity, and \$200.4 million for part-time faculty health insurance reimbursement.

### *CalSTRS Retirement Plans*

CalSTRS administers a hybrid retirement system consisting of traditional DB benefits, cash balance, and a voluntary defined contribution plan, as discussed below.

CalSTRS administers a DB Program that provides a lifetime monthly benefit upon attaining a combination of the requisite minimum years of age and service for retirement, commonly referred to as "vesting" or "vested." Consisting of a combination of contributions from the State, employer, and employee, this benefit has varying formulas depending on when the employee began performing CalSTRS creditable service activities. The varying formulas, consisting of two, are a result of legislative enactment of the PEPPRA. Regarding DB contribution rates, the employer contributes an amount equal to approximately 19.10% of the employee's creditable compensation, and the State contributes approximately 8.328% of CalSTRS members' annual creditable compensation, as well as approximately 2.5% of CalSTRS members' earnings to pay for purchasing power protection. Depending on what formula applies to the employee, employees contribute approximately 10.25% (for the 2% at 60 formula), or 10.205% (for the 2% at 62 formula) of their creditable earnings. Mandatory DB Program membership depends on the employee's status, the type of employer and, in some cases, whether the employer offers the CB Benefit Program. However, temporary and adjunct employees are excluded from *mandatory* membership.

CalSTRS' CB Benefit Program is a DB Supplement (DBS) where the employer's and employee's contributions on eligible earnings are credited to the employee's DBS account. This account accrues guaranteed interest and, when the CalSTRS Board declares, additional earnings credits. When the employee retires, they are eligible to receive a lump-sum payment or annuity based on the total account balance. This DBS Program is a cash balance plan for DB Program members

for earnings in excess of one year in a school year and other specific compensation. CalSTRS' CB Benefit Program also is a retirement plan that employers can offer part-time educators, or another eligible retirement plan, as an alternative to the DB Program or social security.

CalSTRS' Defined Contribution (DC) Plan, also called "Pension2," offers 403(b), 457(b), Roth 403(b), and Roth 457(b) investment plans for additional income in retirement. Open to all school employees, the amount an employee has at retirement depends on their contributions, investment gains and losses, and expenses. Typically, employees contribute 4% of their salary, and the employer must contribute an amount equal to at least 4% of the employee's salary.

### *CalSTRS and Social Security*

Historically, California public educators who contribute to CalSTRS (and more specifically, it's DB Program) do not pay into social security. When they retire, they will not receive social security benefits for their CalSTRS-covered employment. However, they may be eligible to receive a benefit through other employment or their spouse. A district must offer social security to its part-time or temporary employees if it does not offer an alternative eligible retirement plan. As previously discussed, the federal Social Security Fairness Act became law on January 5, 2025. However, neither CalSTRS nor the state have control over eligibility requirements or social security benefit calculations.

Under current law, a person who is a temporary employee at a community college is not mandated to participate in CalSTRS' DB Program. Instead, they can permissively elect to join the DB Program or choose to participate in an alternative retirement plan, including the CB Benefit Program, if offered by the employer. To offer the CB Benefit Program, an employer's governing board must elect to do so. Some, but not all, CCDs offer as an alternative retirement plan. Further, under existing law, employers must notify an employee who has a right to make a retirement system election of their right to make such an election within 10 working days of the date of hire, including providing written information provided by each retirement system concerning the benefits provided under that retirement system to assist the employee in making an election. Further, employers that offer the CB Benefit Program must make information regarding the DB and CB Benefit programs available within 10 working days of specified dates.

### *CalSTRS and CalPERS*

Generally, a CalSTRS DB Program member who became employed by the same or a different school district, CCD, county office of education or certain employment by the State to perform services that requires membership in CalPERS, may elect to continue CalSTRS coverage, and service in the new position will be treated as creditable service under the CalSTRS DB Program. Making this election is subject to: (i) being completed with 60 days of the date of hire in the new position; (ii) being done on the appropriate CalSTRS form provided by the employer and received by CalSTRS within 60 days of the signature date; (iii) being effective as of the date of hire into the new position, and (iv) being irrevocable and applies to all service for that position.

Certain CalPERS members who subsequently are employed in a position that requires CalSTRS membership can elect to continue CalPERS coverage for all subsequent CalSTRS-creditable service. This applies to CalPERS members employed by one or more of the following: (i) a school district; (ii) California Community College Board of Governors; (iii) California Department of Education (as of January 1, 2002), and (iv) a CalPERS and CalSTRS participating charter school.

CalPERS members who are employed full-time and accept part-time, temporary employment to perform creditable service covered by CalSTRS' DB Program can permissively elect membership in CalSTRS and have their part-time service reported to CalSTRS.

*Federal Action Regarding Social Security: The Federal Social Security Fairness Act of 2023*

Public Law 118-273 (H.R. 82), also known as the federal Social Security Fairness Act of 2023, repealed the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) that reduced or eliminated social security benefits for individuals who receive a pension based on work that was not covered by social security because they did not pay Social Security taxes. Among other workers, the Social Security Fairness Act benefits certain types of employees, including teachers, firefighters, and police officers in many states.

This reform was aimed at providing equitable benefits to public employees who, historically, have been disadvantaged by working in certain public employment careers, but have contributed to their communities throughout their careers. The elimination of the WEP and GPO ensures that these workers receive full benefits upon retirement.

Please refer to the respective policy committee analyses for a full discussion of this bill.

**According to the Author**

"Part-time community college faculty, who bring real-world experience and in-field expertise into the classroom, face significant inequities compared to their full-time counterparts. One of the most consequential gaps is in retirement information and options. Many part-time faculty who have spent decades contributing to social security are not informed about how to continue or strengthen those benefits, or how those benefits compare to enrolling in a different retirement system. Compounding the issue, not all community college districts even offer social security as an option, nor do they consistently provide clear, side-by-side information about available retirement choices. [This bill] ensures that every part-time faculty member is given complete, transparent information about their retirement options—and the opportunity to continue contributing to social security if they choose. Workers deserve the information they need to make the best financial decisions for themselves and their families. Providing that clarity empowers educators to plan for a secure and stable future."

**Arguments in Support**

Among other things, the several supporters express, "[p]art-time community college faculty are often individuals who have chosen to give back to their communities by becoming educators in their local community college districts after long careers in the private sector. Most private sector jobs accumulate credit in the social security system. Upon the start of employment with a community college district, the new educator will be provided with several options for their retirement plan, including the [CalSTRS] pension, CalSTRS [CB Benefit Program] if offered, and several other options that may be offered by districts. However, while current law also allows the option of social security, this option is often not as apparent, nor always offered as the other retirement options. New part-time faculty may not be aware of the long-term requirements, benefits, and drawbacks of the retirement benefits they can choose between. In many instances, these workers have accumulated decades of service credit in social security, and may not work as a part-time faculty member long enough so that starting over in a new pension system makes financial sense. [This bill] brings clarity, ensuring part-timers both have the option of social security and a basic understanding of what options they have for retirement planning."

**Arguments in Opposition**

None on file.

**FISCAL COMMENTS**

According to the Assembly Committee on Appropriations, this bill would result in the following:

- 1) Minor and absorbable costs for the CCCCCO to develop the required informational materials. However, the CCCCCO notes they may not be the appropriate entity to develop the information as individual CCDs have both statutory authority and structural oversight regarding local hiring and staff benefits.
- 2) Minor and absorbable costs to CalSTRS and CalPERS.

**VOTES****ASM PUBLIC EMPLOYMENT AND RETIREMENT: 6-0-1**

**YES:** McKinnor, Lackey, Boerner, Garcia, Nguyen, Michelle Rodriguez

**ABS, ABST OR NV:** Alanis

**ASM HIGHER EDUCATION: 10-0-0**

**YES:** Fong, DeMaio, Boerner, Macedo, Jackson, Muratsuchi, Patel, Ramos, Sharp-Collins, Tangipa

**ASM APPROPRIATIONS: 14-0-1**

**YES:** Wicks, Hoover, Aguiar-Curry, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

**ABS, ABST OR NV:** Arambula

**UPDATED**

VERSION: February 20, 2026

CONSULTANT: Michael Bolden / P. E. & R. / (916) 319-3957

FN: 0002488