SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2417 (Zbur) - Community colleges: part-time faculty: retirement

Version: May 18, 2026
Urgency: No
Hearing Date: August 3, 2026
Policy Vote: L., P.E. & R. 5 - 0, ED. 7 - 0
Mandate: Yes
Consultant: Robert Ingenito

Bill Summary: AB 2417 would require (1) a community college district (CCD) to provide temporary faculty employees the option to participate in social security, the CalSTRS defined benefit program, the CalSTRS Cash Balance Benefit program, if offered, or the CalPERS defined benefit program, and (2) the California Community Colleges Chancellor's Office (CCCCO) to work with CalSTRS and CalPERS to develop specified information materials on retirement programs opportunities for the CCC temporary faculty.

Fiscal Impact:

- CCCCO would incur minor and absorbable costs to develop the required informational materials.
- The bill would result in minor and absorbable costs to CalSTRS and CalPERS.
- This bill could increase state pension contributions to the extent that additional part-time community college employees enroll in a state retirement system as a result of the bill. The annual fiscal impact is unknown, but could exceed $50,000 annually (General Fund, see Staff Comments).

Background: Federal law requires public employers to provide employees with either Social Security coverage or membership in a qualified retirement plan. In California, this requirement is generally met through retirement systems such as CalPERS, the CalSTRS Defined Benefit Program, and the CalSTRS Cash Balance Benefit Program. Current law classifies community college district employees who teach no more than 67 percent of a full-time assignment as temporary employees. These employees are generally excluded from the CalSTRS Defined Benefit Program and instead participate in the CalSTRS Cash Balance Benefit Program. Community college districts must provide eligible temporary employees with information about the Cash Balance Benefit Program within 10 days of the employee's first day of employment.

Proposed Law: This bill, among other things, would do the following:

- Require a CCD to provide a temporary faculty employee the option of membership in CalSTRS' Defined Benefit (DB) Program, its Cash Balance Benefit Program if offered by the district, or social security.
- Clarify that the district may also offer an alternative retirement option in addition to those required by this bill.

- Require CalSTRS and CalPERS to develop and post on their internet websites on or before July 1, 2027, informational materials regarding the difference between the employee's available options, as specified.

- Require the district to provide, commencing July 1, 2027, the informational material developed by the retirement systems to newly hire temporary faculty.

Related Legislations:

- H.R. 82 (Graves-LA, 2025) repealed the federal Windfall Elimination Provision and Governmental Pension Offset provisions for Social Security benefit recipients.

- AB 3221 (Gallegos, Chapter 383, Statutes of 1996) among other changes combining existing retirement election provisions, added employer notification requirements to Education Code section 22509.

- AB 1298 (Ducheny, Chapter 592, Statutes of 1995) established the CalSTRS Cash Balance Plan, including the requirement for employers to inform employees of their right to elect membership in an alternative plan.

Staff Comments: Current law already requires CCDs to provide retirement benefits to eligible part-time employees. This bill does not expand eligibility for CalSTRS or CalPERS benefits or require districts to provide enhanced retirement benefits. Instead, it requires districts to better inform employees of their retirement options and the differences among the plans available to them.

This information may be particularly valuable for temporary community college faculty, who often enter teaching after careers in other industries and may already have accrued retirement benefits through Social Security or another retirement system. Because these employees frequently work part-time, teach at multiple institutions, or begin teaching later in their careers, the retirement options available to them may have different financial implications than they do for employees who spend an entire career in public education. By improving awareness of these options, the bill enables employees to make more informed retirement decisions based on their individual circumstances.

As noted above, this bill could increase state pension contributions to the extent that it results in additional part-time community college faculty enrolling in CalSTRS or CalPERS. For example, if one percent of part-time faculty participate in a state retirement system as a result of the bill, the resulting increase in annual state pension contributions would exceed $50,000.

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