

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 06/20/2012
POSITION: Oppose
SPONSOR: California Federation of Teachers

BILL NUMBER: SB 114
AUTHOR: Yee, Leland

BILL SUMMARY: Community Colleges: Academic Salary Schedules

This bill would require California community college districts (CCCDs) to annually submit electronic copies of bargaining and employment agreements for part-time and adult education faculty to the California State Teachers Retirement System (CalSTRS).

FISCAL SUMMARY

The bill could increase reimbursable state-mandate costs by thousands to tens of thousands of dollars Proposition 98 General Fund by requiring CCCDs to submit bargaining and employment agreements to CalSTRS.

The bill would create minor and absorbable costs for CalSTRS.

SUMMARY OF CHANGES

This bill has been amended since our analysis of the April 4, 2011 version, which required CCCDs to provide part-time faculty with comparable pay to full-time faculty.

COMMENTS

The Department of Finance opposes this bill for the following reasons:

- The bill could increase reimbursable state-mandate costs by thousands to tens of thousands of dollars in Proposition 98 General Fund by requiring the CCCDs to submit bargaining and employment agreements to CalSTRS.
- The bill is unnecessary because CalSTRS can request the necessary agreements from the CCCDs without creating a reimbursable-state mandate.

Existing law requires CCCDs to provide CalSTRS specified information such as unused sick leave for retiring workers and specified reemployment information. These and several other mandated activities are reflected in the *California State Teachers' Retirement System (CalSTRS) Creditable Compensation/Service Credit (01-TC-02, 02-TC-19)* mandated program. The entire mandate had an average cost of \$32,000 Proposition 98 General Fund for fiscal years 2009-10 and 2010-11.

Part-time faculty compensation pay is determined at the district level and is established through the collective bargaining process. Existing law establishes 525 instructional hours as the minimum standard for full-time equivalency for part-time community college instructors to achieve service credit for CalSTRS benefits.

Analyst/Principal (0333) E.Hanson	Date	Program Budget Manager Nicolas Schweizer	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS--(CONTINUED)**Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

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COMMENTS (continued)

The CalSTRS indicates that the additional information this bill would require CCCDs to provide would be useful in checking the monthly data submitted by the CCCDs to ensure that part-time faculty are accruing the correct amount of service credit.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)					Fund Code
	LA	(Dollars in Thousands)					
	CO	PROP					
	RV	98	FC	2012-2013 FC	2013-2014 FC	2014-2015	
6870/Comm College	LA	Yes		----- See Fiscal Summary -----		0001	
1920/STRS	SO	No		----- No/Minor Fiscal Impact -----		0835	
<u>Fund Code</u>	<u>Title</u>						
0001	General Fund						
0835	Teachers' Retirement Fund						