

Bill Number: SB 114 (Yee) as amended on August 22, 2012

SUMMARY

SB 114 requires collective bargaining and employment agreements for community college adjunct and adult education instructors be submitted to CalSTRS.

BOARD POSITION

Support. It is the policy of the board to support measures that are consistent with the objective of providing financially sound primary and supplemental retirement plans for California's educators.

SUMMARY OF AMENDMENTS

August 22, 2012 amendments:

- Require that the collective bargaining or employment contract agreements be submitted electronically to CalSTRS effective July 1, 2013 and every July thereafter in a format determined by CalSTRS.

REASON FOR THE BILL

Employers are not required to provide copies of collective bargaining or employment agreements except at the request of CalSTRS on a case by case basis.

ANALYSIS:

Existing Law:

Current law requires that each collective bargaining or employment agreement for a part-time community college instructor subject to the 525 hour minimum standard specify the number of hours that equals full-time. However, employers are not required to provide copies of collective bargaining or employment contract agreements to CalSTRS except upon request on a case by case basis.

This Bill:

SB 114 requires collective bargaining or employment agreements for community college and adult education instructor, reflecting the full time equivalent for each class of affected employees, be submitted to CalSTRS. This would allow CalSTRS to cross-reference the information against the data received in the monthly reports that are submitted by employers to CalSTRS. In addition, CalSTRS is working with the Chancellor's Office to reach an agreement whereby CalSTRS may utilize the data they receive from community college employers as a means to verify the FTEs reported to CalSTRS. This information in conjunction with the collective bargaining or employment agreements will provide CalSTRS with a better understanding of how to help employers report accurate FTEs so that they do not simply report the statutory minimum of 525, as is the current practice for some community colleges. Also, the additional information may help to ensure that part-time instructors are accruing the correct amount of service credit.

LEGISLATIVE HISTORY

Chapter 323, Statutes of 2007 (AB 757—PER&SS Committee) made a variety of technical and conforming changes to the Teachers' Retirement Law to facilitate efficient administration of the System.

Chapter 62, Statutes of 2003 (SB 600—Senate Judiciary Committee) made numerous technical changes in the California codes that have been recommended by the Legislative Counsel's Office.

Chapter 859, Statutes of 2003 (SB 627—PE&R Committee) made various grammatical, technical and conforming changes to the Teachers' Retirement Law to facilitate efficient administration of the State Teachers' Retirement Plan.

Chapter 375, Statutes of 2002 (AB 2982—PER&SS Committee) made a variety of technical and conforming changes to the Teachers' Retirement Law to improve system administration.

Chapter 1025, Statutes of 2000 (AB 816—PER&SS Committee) made various technical and conforming changes to the Teachers' Retirement Law to improve system administration.

PROGRAM BACKGROUND

Community College educators employed on a part-time basis may elect to be covered by the CalSTRS Defined Benefit (DB) Program. Although the design of the DB Program works well for full-time employees, a number of issues have arisen over the years about its application to part-time and adult education community college staff. The most significant issue has been the difficulty in reporting compensation in order to establish the appropriate levels of service credit.

Part-time community college instructors accrue service credit based on Full-Time Equivalent (FTE), equal to the number of hours of instruction that a part-time community college or adult education instructor would be required to complete if he or she was working full-time in their position. The community college employer compensates the part-time instructor for the hours worked, based on an hourly pay scale. When the district payroll office reports to CalSTRS, it reports the actual earnings for the member and they calculate an "earnable," which is the hourly pay rate multiplied by the FTE.

The statutory minimum FTE for adjunct faculty of 525 hours reflects the typical requirement for 15 hours per week of primary duties performed over a 35-week school year for a part-time community college instructor. However, certificated faculty are categorized by "classes of employees", and different classes of employees have different hourly standards for the duties they are required to perform. An English instructor may be required to teach a different number of hours than a science instructor, who also is paid for laboratory hours. In those cases, the FTE hours for those two classes of faculty would be different.

FISCAL IMPACT

Program Cost – None.

Administrative Costs/Savings – No direct costs to receive submitted contracts, but there may be potential costs to review the submitted contracts to determine the accuracy of service credit calculations.

SUPPORT

California Federation of Teachers
CalSTRS

OPPOSITION

None known.

ARGUMENTS

Pro: Provides CalSTRS additional information to ensure that the community colleges are reporting accurate service credit for its part-time and adult education instructors.

Con: None.

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