Date of Hearing: April 2, 2019

### ASSEMBLY COMMITTEE ON HIGHER EDUCATION Jose Medina, Chair AB 706 (Low) – As Introduced February 19, 2019

#### SUBJECT: Community colleges: academic employees

**SUMMARY**: Eliminates limits on the time during which an academic employee of a community college district of one school year or more is entitled to transfer accrued leave.

### **EXISTING LAW:**

- Provides that all CalSTRS members shall be granted service credit for each day of unused sick leave to which the member was entitled on the member's final day of employment. This section also requires employers to certify the amount of unused sick leave with CalSTRS and requires CalSTRS to utilize specific factors to convert unused sick leave to service credit. (Education Code (EDC) Section 22717)
- 2) Provides that every academic employee of a community college district who is employed five days a week shall be entitled to no less than 10 days of leave for illness or injury per year. Employees employed less than five days a week are entitled to a proportion of the 10 days of sick leave per year. Any leave that is not taken in a given school year accumulates from year to year. (EDC Section 87781)
- 3) Requires academic employees of community college districts, who have been employed for at least one school year, to have their unused sick leave transferred to a new employer within three years from the school year in which employment with the first district was terminated. There are two other circumstances under which a member may transfer their unused sick leave, including acceptance of an academic position in a school or community college district during the second or any succeeding school year of the member's employment with the first district or acceptance of employment in an academic position in another district. (EDC Section 87782)

**FISCAL EFFECT**: According to an analysis conducted by CalSTRS staff and published on March 27<sup>th</sup>, 2019, AB 706 will increase in the normal cost of the average member's benefit of 0.004 percent of pay, or \$3 per year, for each additional day of unused sick leave that is converted to service credit. CalSTRS estimates potential minor and absorbable costs associated with increased workload for CalSTRS staff to convert additional sick leave days to service credit or workload associated with audits of community college districts.

**COMMENTS**: *Need for the bill.* According to the author, "California Community College (CCC) faculty have only three years to transfer their unused sick leave from one district to another. Part-time faculty, unlike full time faculty, are often not officially terminated; they are simply not offered additional assignments, and a district may choose to not issue a contract for one or more semesters and then suddenly offer an assignment when the need arises. As a result, part-time faculty may go years without knowing they will no longer receive teaching assignments at an individual college or district."

"AB 706 would remove the three-year cap on sick leave transfer. Sick leave is an earned benefit and should not be lost due to an arbitrary deadline. For community college part-time faculty, the deadline itself is ambiguous, and it is difficult for them to keep track of their employment status in various districts and the complex rules of the retirement process."

*Background.* According to CalSTRS, within 30 days of the effective date of a member's service retirement or the date the service retirement application is received by CalSTRS, whichever is later, the member's last employer or employers are required to certify to CalSTRS the number of days of unused sick leave for the retiring member. CalSTRS converts unused sick leave into service credit by dividing the number of unused sick leave days by the number of base service days required for full-time service for the member's class of employees during a school year.

*Arguments in support.* The Faculty Association of California Community Colleges (FACCC), the sponsor of this legislation, writes that "In 2014, FACCC sponsored AB 2295 (Ridley-Thomas) which extended the period a faculty member has to transfer unused sick leave between districts from one year to three years. At the time we believed that three year period would be sufficient; however, we now realize that any time limit negatively impacts part-time faculty."

"Unlike full-time faculty, it's common practice for part-time faculty to teach at a district for several years and then have a multi-year gap until their next assignment. Part-time faculty often work at multiple districts concurrently and don't always realize that their time at a district has permanently ended. If a part-time faculty member doesn't transfer their unused sick leave within three years of leaving the district then they lose that sick leave. This loss of sick time is concerning because the California Education Code allows faculty enrolled in certain retirement plans to convert unused sick leave into service credits at retirement. If a faculty member fails to transfer their sick leave then they lose that earned benefit. Over a long career, that unused sick leave could equal a year or more of service credit."

*Prior legislation.* AB 2295 (Ridley-Thomas), extended the length of time, from one year to three years, for which CCC faculty are entitled to transfer a leave of absence for illness or injury upon his or her acceptance of election of employment to another school district or CCC district.

# **REGISTERED SUPPORT / OPPOSITION:**

## Support

California Federation of Teachers California Retired Teachers Association California School Employees Association Faculty Association of California Community Colleges Foothill-De Anza Faculty Association

## **Opposition**

None on file.

Analysis Prepared by: Kevin J. Powers / HIGHER ED. / (916) 319-3960