Date of Hearing: June 25, 2019

ASSEMBLY COMMITTEE ON HIGHER EDUCATION Jose Medina, Chair SB 777 (Rubio) – As Amended May 17, 2019

SENATE VOTE: 28-10

SUBJECT: Community colleges: full-time instruction.

SUMMARY: Modifies provisions relating to the percent of credit instruction taught by full-time (F/T) faculty at the California Community Colleges (CCC) by requiring in statute districts below the 75% threshold to annually reduce by 5% the deficit between their existing (F/T) faculty percentage and the 75% goal, rather than applying a portion of their "program improvement" funds toward reaching that 75%; and, specifies the implementation of this measure is contingent upon an appropriation in the Budget Act or another statute. Specifically, **this bill**:

- 1) Requires, contingent upon an appropriation in the Budget Act or another statute, that CCC districts that have less than 75% of their hours of credit instruction taught by F/T faculty make, at a minimum, an annual 5% reduction in the district's deficit, rounded up to the nearest whole number, until the 75% goal is reached, as specified.
- 2) Specifies, for purposes of (1) above, a CCC district's deficit is defined as the gap between 75% of the total district credit hours taught and the total of those taught by full-time faculty.
- 3) Removes the authority of the CCC Board of Governors (BOG) to amend certain provisions and instead requires that those provisions be included when adopting regulations for the effective administration of this bill. Those provisions include both of the following:
 - a) Exclude the hours of overload teaching by F/T faculty from both the total district credit hours taught and the total district credit hours taught by F/T faculty, in the computation for the percentage of credit hours taught by F/T faculty; and,
 - b) Define a F/T faculty as any regular and contract faculty member teaching credit instruction.
- 4) Requires the CCC Chancellor to annually compute and report by March 15 of each year to each CCC district both of the following:
 - a) The district's status with respect to progress toward the 75% goal and the additional hours of F/T faculty credit instruction needed to make a 5% improvement in the district's deficit.
 - b) The conversion of hours computed from, (a) above, to the number of additional F/T faculty required, as specified.

- 5) Requires a district to develop and maintain a five-year plan for making progress towards achieving the 75% F/T faculty goal, including specific strategies for achieving the goal as provided.
- 6) Requires that the CCC BOG determine how to apply the 75% goal to both credit and noncredit faculty in both state supported and basic-aid districts.
- 7) Requires that the CCC Chancellor annually review each CCC district's progress towards the district's 75% goal to assist these districts in determining strategies to more aggressively progress toward the 75% goal.
- 8) Modifies provisions relative to reductions in a CCC district's base budget by an amount equivalent to the average replacement cost times the deficiency in the number of F/T faculty when districts fail to retain the appropriate number of additional F/T faculty.
- 9) Modifies and recasts provisions relative to the computation of "replacement costs," by providing that the average replacement cost be calculated as the district average faculty salary, rather than the statewide average, plus benefits minus the product of the number of hours equivalent to full-time teaching load and the district average hourly rate, rather than the statewide average hourly rate, of compensation for part-time (P/T) instructors.
- 10) Requires that each district provide all information to the CCC Chancellor necessary for the Chancellor to, comply with making the determination of the additional number of F/T faculty required for each CCC district, not less than 60 days before CCC Chancellor's determination is due.
- 11) Modifies legislative findings and declarations by striking outdated provisions and adds provisions declaring it a priority of the CCC to support additional F/T faculty positions.
- 12) Makes other technical and conforming changes.
- 13) Deletes provisions that require CCC districts that had in the prior 67% 75% of their hours of credit instruction taught by F/T instructors to apply up to 33% of their program improvement allocation as necessary to reach the 75% standard or if a CCC district chose not to improve its percentage, than a portion of their program improvement allocation would be withheld.
- 14) Deletes provisions that require CCC districts that in the prior fiscal year, had less than 67% of their hours of credit instruction taught by F/T instructors apply up to 40% of their program improvement allocation as necessary to reach the 75% standard or a portion of their program improvement allocation would be withheld.
- 15) Deletes provisions that allow CCC districts, which maintain 75% or more of their hours of credit instruction taught by F/T instructors to use freely their program improvement allocation for any of the purposes specified.
- 16) Deletes provisions relative to calculations for F/T faculty based upon portions of program improvement revenue and replacement costs.

17) Deletes the requirement that the CCC Chancellor report to each CCC district an estimate of the number of F/T faculty to be secured based upon the appropriations of revenues contained in the annual Budget bill.

EXISTING LAW:

- 1) Defines "faculty" as those employees of a community college district (CCD) who are employed in academic positions that are not designated as supervisory or management, as specified. Faculty include, but are not limited to, instructors, librarians, counselors, community college health services professionals, handicapped student programs and services professionals, and extended opportunity programs and services professionals (Education Code (EC) Section 87003).
- 2) Defines any person who is employed to teach for not more than 67% of the hours per week, considered a F/T assignment, to be a temporary (P/T) employee (EC Sections 87482.5 and 87882).
- 3) Requires the CCC BOG to adopt regulations regarding the percent of credit instruction taught by F/T faculty and authorizes CCDs with less than 75% F/T instructors to apply a portion of their "program improvement" funds toward reaching the 75% goal (commonly referred as "75/25") (EC Section 87482.6).
 - To note, the state has stopped providing program improvement funds and the BOG has since required CCDs to provide a portion of their enrollment growth funds to hiring more F/T faculty.
- 4) Requires that contract employees shall be evaluated at least once in each academic year, that regular employees shall be evaluated at least once in every three academic years, and that temporary employees shall be evaluated within the first year of employment. Specifies that thereafter, evaluation shall be at least once every six regular semesters, or once every nine regular quarters, as applicable. Stipulates that whenever an evaluation is required of a faculty member by a CCD, the evaluation shall be conducted in accordance with the standards and procedures established by the rules and regulations of the governing board of the employing CCD (EC Section 87663).

A complete summary of existing law regarding the employment of CCC faculty is beyond the scope of this analysis; however, it is important to note there are extensive, complex statutes, many of which apply to "F/T", "P/T", "temporary", "contract" and other academic employees, in a wide array of situations related to multiple aspects of district employment.

FISCAL EFFECT: According to the Senate Appropriations Committee, while the bill's requirements would be subject to an appropriation, this bill could result in Proposition 98 General Fund cost pressure of approximately \$23 million each year for a 5% increase in F/T faculty statewide in the first year. At full implementation, this bill could result in statewide cost pressure of about \$460 million.

COMMENTS: *Background*. The CCC BOG has had a longstanding policy that at least 75% of the hours of credit instruction in the CCC, as a system, should be taught by F/T instructors. Existing regulations require specified steps to be taken by CCDs to achieve the 75% standard, many are contingent upon adequate funding.

To note, according to the last published ratio, approximately 56.9% of credit bearing courses across the CCC system are taught by F/T faculty.

Purpose of the bill. According to the author, "This bill only seeks to adopt the agreed recommendation on steps to reach the 75% F/T instruction goal".

The author contends that, "This bill is critical because the presence of F/T faculty at CCCs is an essential need for the general student population's success. The simple factor of F/T faculty being able to hold office hours, highlights how having a stable, experienced, and accessible faculty is of significant benefit to student success outcomes".

This measure requires CCDs make annual progress toward the F/T faculty goal.

Recent attempts at reaching the 75% F/T faculty goal. According to the CCC Chancellor's Office, in 2015, then Chancellor Brice Harris commissioned a small workgroup of faculty and administrators to explore the 50% Law (EC Section 84362) and the Faculty Obligation Number (FON, Title 5 Sections 51025 and 53311) and, if possible, develop a proposal for reform. The workgroup considered a number of relevant issues, including the changing environment since these laws were enacted, in 1961 and 1988, respectively. The discussion focused on the greater need for instructional support services inside and outside the classroom, increased emphasis on accountability and a greater dependence on instructional technology. The group also explored ways in which the system might make steady progress toward the goal of 75% of instructional hours being provided by full-time faculty. The workgroup developed proposals for revising the 50% Law and the FON, together. However, these discussions constituted only the first step in a process. The workgroup agreed that a further set of meetings to review statistical data and establish the recommended changes were required in order for these proposals to move forward.

Chancellor Eloy Ortiz Oakley, in late 2017, requested the workgroup to reconvene and consider revisions to its original proposal in order to align it with the CCC's *Vision for Success* document accepted by the BOG in July 2017; and, in early 2019, Chancellor Oakley requested the workgroup to consider revisions to the original proposal in light of the enactment of the Student Centered Funding Formula. The workgroup has now concluded its work and the recommendations were discussed by Consultation Council on April 18, 2019.

It appears that this measure seeks to implement some of the workgroup recommendations with respect to attaining the 75% goal prior to consultation and prior to consideration from the BOG.

Recent budget actions. The 2015-16 Budget Act included \$62 million for CCDs to hire additional F/T faculty. The 2016-17 and 2017-18 budgets did not include additional funding for this purpose. The CCC Chancellor's Office unsuccessfully requested an additional \$100 million in 2017-18 to hire F/T faculty. However, the 2017-18 Budget Act included \$183.6 million for unallocated base increases, which could be used to increase F/T faculty. Finally, the 2018-19 Budget Act provided \$50 million Proposition 98 General Fund ongoing to colleges to increase the number of new F/T faculty toward meeting the 75% F/T faculty target.

To note, it is presently unclear whether districts will need additional funding beyond this allocation in order to meet the requirements of this bill.

Arguments in support. According to the Faculty Association of California Community Colleges (FACCC), co-sponsors of this measure, "Instead of increasing F/T hires, the community colleges

have over relied on temporary, P/T faculty. This is detrimental to community college students because adjunct faculty often work at multiple districts to piece together a F/T load and cannot hold office hours or engage with students in the same way their F/T counterparts can".

FACCC contends that, "Increasing the number of hours taught by F/T faculty and hiring more F/T faculty overall is the best possible way to achieve the goals laid out in the California Community College Vision for Success".

Arguments in opposition. According to the Community College League of California (League), "While the League believes in the importance of full-time faculty, we also recognize the unfortunate reality that colleges are not funded in a way that supports the goals of SB 777".

The League contends that, "By inserting an arbitrary hiring funding into Education Code, SB 777 sets a dangerous precedent that could remove the ability of colleges to make hiring decisions that match local needs. Additionally, it ignores the spirit of the 2015 workgroup by moving forward without system consensus and without systematically implementing all of the proposed recommendations".

Prior legislation. ACR 32 (Medina), Resolution Chapter 161, Statues of 2017, encouraged the CCC Chancellor, in consultation with affected stakeholders, to develop proposals for legislative consideration to address the longstanding challenges to achieving the goal of 75% of credit classroom instruction taught by F/T faculty and compensation equity for P/T faculty.

SB 373 (Pan) of 2015, which was held in the Senate Appropriations Committee, in part, established the Community College Excellence in Education Act and set a cap on the number of P/T faculty for each community college district based on the 2014-15 fiscal year, thereby limiting new hires to only F/T faculty until the district reached a 75% threshold of F/T faculty.

AB 950 (Chau) of 2013, was held in the Senate Appropriations Committee, prohibited a F/T faculty member for a CCD from being assigned a workload that included overload or extra assignments if the overload or extra assignments exceeded 50% of a F/T workload in a semester or quarter that commences on or after January 1, 2014, with several exceptions.

AB 1826 (Roger Hernández) of 2012, which was held in the Senate Appropriations Committee, prohibited a F/T faculty member from being assigned a workload with an overload or extra assignments exceeding 50% of the F/T semester or quarter workload.

ACR 138 (Nava) Resolution Chapter 142, Statutes of 2010, stated legislative intent that P/T and temporary faculty receive pay and benefits equal to those of specified tenure-track faculty, to the extent funding is provided, and that the CCC increase the percentage of F/T tenured and tenure-track faculty.

AB 1343 (Mendoza) of 2007, which was held in the Assembly Appropriations Committee, required the CCC and the California State University to achieve 75% full-time equivalent faculty by 2014-15, to achieve certain standards in pro-rata salary and benefits, and provided preferential treatment for P/T faculty in the hiring process for new F/T faculty positions.

REGISTERED SUPPORT / OPPOSITION:

California Community College Independents (Sponsor) Faculty Association of California Community Colleges (Co-Sponsor)

Opposition

Community College League of California

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