

Date of Hearing: April 18, 2023

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Corey A. Jackson, Chair

AB 366 (Petrie-Norris) – As Amended March 23, 2023

**SUBJECT:** County human services agencies: workforce development

**SUMMARY:** Permits counties with a 20% or greater employment vacancy rate to use alternate minimum qualifications to meet workforce demands, requires the California Department of Social Services (CDSS) to create the “Building Diversity in Human Services Workforce Program” to establish education and training grants in human services programs, and requires CDSS, subject to an appropriation in the Budget Act, provide competitive grants to eligible entities in order to establish career-track programs within county human services departments. Specifically, **this bill:**

- 1) Makes Legislating findings and declarations related to vacancy rates and workforce shortages for county human services agencies.
- 2) Instructs the California Department of Human Resources (CalHR) to permit local agencies with an employment vacancy rate of 20% or greater in any state-funded or federal grant-in-aid program to use alternate minimum qualifications and processes to screen applications and establish eligibility lists for recruitment of new staff and advancement of existing staff until the vacancy rate falls below 20% continuously for 12 consecutive months.
- 3) Establishes that alternatives authorized by the provisions of this bill include, but are not limited to: allowing counties to screen and establish eligibility lists directly with oversight by CalHR; implementing alternative examination requirements without advance approval by CalHR; and, waiving examination components.
- 4) Requires any alternative processes that require CalHR approval to be responded to within seven calendar days of the receipt of the request from the county.
- 5) Requires any alternative criteria or processes to comply with all applicable CalHR regulations.
- 6) Requires, no later than July 1, 2026, CalHR to convene representatives of local agencies and applicable state departments, including, but not limited to CDSS and the Department of Child Support Services, to develop and implement streamlined processes and requirements in the implementation of a merit-based personnel system.
- 7) Permits CalHR to implement any policy changes through departmental memoranda until regulations are adopted, and, further, affords the departmental memoranda the same force and effect of regulations.
- 8) Requires CalHR to adopt regulations to implement certain provisions of this bill related to streamlined processes and requirements, as specified, by July 1, 2027.

- 9) Makes Legislative findings related to the role of counties in implementing safety net programs, and, further, states Legislative intent to fund educational programs to address county workforce shortages.
- 10) Requires CDSS to create the “Building Diversity in Human Services Workforce Program” in order to establish education and training grants in human services programs.
- 11) Requires, subject to an appropriation for this purpose in the annual Budget Act, CDSS to establish a \$5 million stipend program, to be known as the “California Community College Workforce and Economic Development Grant Program”, in order to provide grants in the form of educational stipends to community college students who have an interest in public child welfare work.
- 12) Requires the program to:
  - a) Be administered by CDSS through existing mechanisms applicable to other stipend programs administered by CDSS pursuant to Title IV-E of the federal Social Security Act, in association with various entities, as specified; and,
  - b) Provide stipends to students who are enrolled in community college in counties with a population of 500,000 or less and who are in a relevant program of coursework, as specified by the provisions of this bill.
- 13) Permit state agencies to use up to a total of 5% of the appropriated funds for administration of the grant program.
- 14) Requires, subject to an appropriation for this purpose in the annual Budget Act, CDSS to provide competitive grants to eligible entities for the purpose of establishing career-track programs within county human services departments. Further, requires CDSS, in consultation with the County Welfare Directors Association and relevant stakeholders, to determine the methodology for, and manner of, distributing grants awarded and any reporting requirements for grantees.
- 15) Requires grant funding be available for expenditure by the grantee for two fiscal years from the date the grant is awarded.
- 16) Prioritizes grant awards based on the following criteria:
  - a) Geographic diversity, with priority to rural and central valley counties; and,
  - b) The applicant’s ability to do all of the following:
    - i) Provide community-based training programs that offer mentorship to trainees and have an emphasis on trainees with lived experience using human services programs and who are representatives of their community;
    - ii) Establish, in collaboration with their local community colleges or high schools, a human services certificate program whereby students may receive educational training in county human services programs and receive certification to be employed in those programs; and,

- iii) Establish, in collaboration with local public colleges and universities, dedicated county internship programs that provide educational training and credit towards human service degree programs.
- 17) Affords participating students that obtain a human services certificate preference in county hiring.
- 18) Encourages program applications to incorporate lowest barrier to entry models and account for educational, language, or cultural difficulties in accessing educational opportunities or public employment.
- 19) Defines “eligible entity” any of the following:
- a) A county human services agency;
  - b) A public education agency that provides a letter of support from a county human services agency; or,
  - c) A nonprofit organization, as specified, that provides a letter of support from a county human services agency.
- 20) Requires, in order to receive grant funds, an eligible entity to submit a plan to CDSS describing its planned strategies, consistent with the criteria described by the provisions of this bill, any planned partnerships with county agencies, educational entities, or community-based organizations, outcomes to be achieved, and methods for measuring success.
- 21) Exempts a grant awarded under the provisions of this bill from the personal services contracting requirements of existing law, and, further, prohibits the grant from being subject to the approval of the Department of General Services.
- 22) Permits CDSS to implement, interpret, or make specific the provisions of this bill related to grant administration through all-county letters or similar instructions, without taking regulator action until regulations are adopted.

**EXISTING LAW:**

- 1) Vests CalHR with the jurisdiction and responsibility of establishing and maintaining personnel standards on a merit basis and administering merit systems for local government agencies where such merit systems of employment are required by statute or regulation as a condition of a state-funded program or a federal grant-in-aid program established under federal law, as specified. (Government [GOV] Code 19800 *et seq.*)
- 2) Requires CalHR to, by regulation, establish and maintain personnel standards on a merit basis for local agencies (including standards of qualifications, competency, education, experience, tenure, and compensation) necessary for proper and efficient administration, and to ensure state conformity with applicable federal requirements. (GOV 19801)
- 3) Requires CalHR to administer the merit system for employees engaged in administering a state-funded program or a federal grant-in-aid program, as specified, in a local agency not administering its own merit system, as approved by current law. Further, permits CalHR to delegate any of its duties to a state department or agency, which may include, but is not

limited to, recruitment, examination, certification, appointment and other transactions, position classification, compensation standards, and disciplinary actions. (GOV 19803(a))

**FISCAL EFFECT:** Unknown, this bill has not been analyzed by a fiscal committee.

**COMMENTS:**

**Background:** *Workforce shortages.* In California, many public social services programs, including CalWORKs, CalFresh, Medi-Cal, In-Home Supportive Services (IHSS), child welfare services, and mental and behavioral health services, among others, are administered by counties. Recent trends in workforce shifts have made it increasingly difficult for employers to hire and retain qualified staff; county human services agencies have also struggled to hire the necessary county workers responsible for administering various aspects of public social services programs, such as eligibility determination, ensuring accurate implementation of program requirements, and maintaining compliance with various state and federal regulations.

A December 2022 article in the Los Angeles (L.A.) Times describes county workforce staffing challenges, particularly as it relates to the mental health workforce, across the state:

“The county faces an acute shortage of mental health workers, which has led to serious understaffing at county-run clinics and other facilities at a time of rising demand. But filling vacant spots has proven to be a major challenge. Some providers have left their jobs citing overwork and stress...Others have moved out of state. The county has also seen a shortage of staff willing to work in person or in field-based positions, rather than remotely. Others have been poached by private employers or switched to other public entities, such as [Los Angeles Unified School District].

“The mental health worker shortage in California is a matter of demand outpacing supply ‘partly due to an aging workforce, and partly due to a very limited growth in the number of master’s-level clinicians being educated’ said Janet Coffman, co-associate director for policy programs at UC San Francisco’s Institute for Health Policy Studies...Gerardo Laviña, director of field education at UCLA’s Department of Social Welfare, said that although area universities are ‘churning out students,’ research shows that there is and will continue to be an ‘incredible need’ for more workers...colleagues and friends have told him they feel overwhelmed and stressed out by county work and that they themselves are seeking mental health assistance because of it. That kind of strain can make private-sector jobs appealing.”

In 2018, the University of California San Francisco estimated that California will have 41% fewer psychiatrists and 11% fewer psychologists, licensed marriage and family therapists, licensed professional clinical counselors and licensed clinical social workers than needed by 2028.

*CalHR Merit System Services (MSS) Program.* When hiring additional employees to address workforce shortages, counties are required to comply with specific personnel and hiring practices, such as those required by the MSS Program. According to CalHR, “[MSS] is the process of hiring and promoting government employees based on their ability to perform a job, rather than on their political connections...[current state law] charges CalHR with the responsibility of ensuring that counties that receive federal funds for programs within their Social Services and Child Support Services departments adhere to federal merit principles.”

Not all counties are subject to the MSS Program, however, and current law permits most counties in California to administer their own personnel systems for program employees based on CalHR's review and approval of the personnel management system. Counties that operate their own personnel management system are referred to as Approved Local Merit Systems (ALMS) counties. The remaining counties utilize the standards enumerated by the MSS Program, and include the counties of Alpine, Amador, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Lake, Lassen, Madera, Mariposa, Merced, Modoc, Mono, Monterey, Plumas, San Benito, Sierra, Sutter, Tehama, Tuolumne, and Trinity.

The provisions of this bill permit CalHR to allow local agencies with an employment vacancy rate of 20% or greater in any state-funded or federal grant-in-aid program to use alternate minimum qualifications and processes to screen applications and establish eligibility lists for recruitment of new staff and advancement of existing staff. The provisions of this bill also permit local agencies to use the alternative minimum qualifications until the vacancy rate falls below 20% continuously for 12 consecutive months.

*California Social Work Education Center (CalSWEC) Title IV-E Program.* One specific way that counties recruit for additional social workers is through CalSWEC, which was created in 1990 and is a consortium of 22 accredited social work programs, the public child welfare (PCW), adult welfare, and behavioral health agencies in all 58 California counties. Hosted by Berkeley Social Welfare at the University of California, Berkeley, CalSWEC operates the CalSWEC Title IV-E Program (IV-E Program), which provides professional education and monetary supports to undergraduate and graduate social work students who intend to pursue or continue a career in the field of public child welfare. Goals of the IV-E Program include:

- Increase the number of public child welfare workers in California with Bachelor of Arts in social work and Master of Social Work degrees;
- Prioritize enrollment of current state/county/tribal social services staff;
- Prioritize enrollment of students who reflect the diversity of California's child welfare population;
- Provide specific program support through the provision of monetary support to students; and,
- Provide specific program support through a specialized competency-based child welfare curriculum.

A March 2020 retrospective study of the IV-E program found, among other things, that: nearly 93% of graduates completed or were completing the IV-E program's employment obligation; IV-E graduates worked an average of 6.2 years at their agency as a IV-E social worker; IV-E graduates worked an average of 3.5 years at their agency after their employment obligation was completed; the top reasons for leaving both their agencies and PCW were caseloads, overall agency climate, and paperwork; and, symptoms of secondary traumatic stress, such as burnout, depression, and anxiety, was mentioned by 28% of those who left their agency and by 21% who left PCW.

Provisions of this bill would require CDSS to create the "Building Diversity in Human Services Workforce Program" and, further, requires the program to be administered by CDSS through existing mechanisms applicable to other stipend programs, such as CalSWEC.

**Author’s Statement:** According to the author, “California is facing a workforce crisis. While that can be devastating enough for businesses in the private sector, for counties which are tasked with administering and delivering critical social safety net programs, as well as our child welfare system and adult protective services, when there aren’t enough workers to go around, programs fall behind, clients aren’t timely served, and current workers get burnt out from overwhelming caseloads and leave county service altogether.

“[This bill] addresses this workforce shortage in three ways: first, it gives hiring flexibility to counties with a 20% or greater workforce vacancy while still protecting merit based hiring; second, it expands an already existing stipend program for MSW students that draws down federal dollars at a 75-25% match to bachelors and associates level social work students, helping to defray educational costs for those already in the career pipeline; third, it creates a \$30 million dollar ‘Building Diversity in Human Services Workforce’ grant program to give counties money to create career pathways with their local colleges and universities, community colleges, as well as community based training programs for those in underserved communities with lived experience. By giving flexibility and funding we can bring folks into the workforce who have either unfairly been carved out due to antiquated hiring practices or who may not consider public employment a viable option due to exorbitant educational costs or other barriers to entry.”

**Need for this bill:** The provisions of this bill seek to address high workforce vacancy rates and turnover among county human services agency employees, which hinder a county’s ability to provide adequate, timely services to recipients of public social services. Specifically, this bill would: permit counties with an employment rate of 20% or greater in any state-funded or federal grant-in-aid program to use alternative minimum qualifications and processes to screen applications and establish eligibility lists until the vacancy rate falls below 20% continuously for 12 consecutive months; require CDSS to create the “Building Diversity in Human Services Workforce Program” in order to establish education and training grants in human services programs; and, require CDSS to provide competitive grants to eligible entities in order to establish career-track programs within county human services departments.

**Equity Implications:** To qualify for various public social services such as CalWORKs, CalFresh, and IHSS, recipients must meet a variety of eligibility criteria, including income requirements; as such, many recipients of these county-administered programs are low-income. When counties face workforce shortages, as has been the case in recent years, benefits recipients can experience delays in accessing services and difficulty in reaching a county worker to resolve issues. For low-income individuals who rely on cash and food assistance, as well as in-home services to complete daily tasks, delays in services can be detrimental to their basic needs, adequate nutrition, and independence in daily living,

Counties also administer the child welfare services system, which aims to protect children from abuse and neglect by investigating allegations of abuse or neglect and determining when it is appropriate to remove a child from the custody of their parents. Not only do county workforce shortages impact the ability of a county to investigate abuse or neglect allegations, workforce shortages also impact the ability of a county to provide family maintenance services and family reunification services aimed at preserving familial ties for the children and families of color who are disproportionately impacted by the child welfare services system.

The provisions of this bill seek to address equity by: ensuring county social services programs are adequately staffed in order to meet the needs of the oftentimes low-income children and

families of color who rely on social safety net services to make ends meet; and, by providing the necessary protective services to children who are at risk of abuse or neglect in addition to the necessary supportive services to families to preserve familial bonds wherever possible.

**Policy Considerations:** The provisions of this bill would require CalHR to permit local agencies with an employment vacancy rate of 20% or greater to use alternate minimum qualifications and processes to screen applications and establish eligibility lists for recruitment of new staff and advancement of existing staff. Under the provisions of this bill, local agencies may also utilize alternate minimum qualifications until the employment vacancy rate falls below 20% continuously for 12 consecutive months.

Currently, this bill does not include a minimum timeframe for which the employment vacancy rate must be 20% or greater. For example, a local agency may experience a 20% employment vacancy rate for a single month, which would then make the agency eligible to utilize alternate minimum qualifications in its hiring process until such a time that the vacancy rate falls below 20% for 12 consecutive months. Further, because there is no explicit timeframe described by the provisions of this bill, an agency's eligibility to use alternate minimum qualifications could be triggered by a week or even a single day where the vacancy rate is 20% or greater.

Additionally, this bill requires, in order to revert to the existing minimum qualifications under the MSS Program, a local agency's employment vacancy rate to fall below 20% for 12 consecutive months. However, because there is no minimum timeframe necessary for a local agency to use alternate minimum qualifications in its hiring process, a single day with a high employment vacancy could permit the agency to utilize alternate minimum qualifications for an additional 12 months. It is possible that without a minimum timeframe that must be met in order to use alternate minimum qualifications, the provisions of this bill could result in a semi-permanent shift away from MSS Program requirements. Should this bill move forward, the author may wish to consider including a minimum timeframe in which a local agency must experience a 20% employment vacancy rate in order to use alternate minimum qualifications for hiring.

#### **RELATED AND PRIOR LEGISLATION:**

*AB 178 (Committee on Budget), Chapter 45, Statutes of 2022*, allocated \$50 million for the purpose of increasing the number of child welfare social workers in emergency response services, and made available \$25 million to support the Employment Training Panel training health and social workers, among other allocations.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

County Welfare Directors Association of California (CWDA) (Sponsor)  
City and County of San Francisco  
County of Humboldt  
County of Santa Cruz Human Services Department  
San Francisco Human Services Agency  
San Luis Obispo County Department of Social Services  
Solano County Health and Social Services  
Tehama County Department of Social Services

**Opposition**

None on file

**Analysis Prepared by:** Alexandria Smith / HUM. S. / (916) 319-2089