

# CALIFORNIA STATE BOARD OF BEHAVIORAL SCIENCES BILL ANALYSIS

BILL NUMBER: SB 1229 VERSION: AMENDED APRIL 18, 2022

AUTHOR: McGuire Sponsor: • State Superintendent of Public

INSTRUCTION TONY THURMOND

CALIFORNIA ALLIANCE OF CHILD AND

FAMILY SERVICES

RECOMMENDED POSITION: NONE

SUBJECT: MENTAL HEALTH WORKFORCE GRANT PROGRAM

### **Summary:**

This bill creates a grant program under California's Student Aid Commission to increase the number of mental health professionals serving children and youth. It proposes awarding grants of up to \$25,000 to post-graduate students enrolled in an accredited social work program, a program designed to lead to licensure as a marriage and family therapist (LMFT), professional clinical counselor (LPCC), or educational psychologist (LEP), or designed to provide a services credential with a specialization in pupil personnel services. The student must meet specified criteria, including agreeing to work in an eligible California-based nonprofit entity or a local education agency when gaining their required postgraduate supervised experience hours.

# **Existing Law:**

- 1) Requires that in addition to the regular biennial license renewal fee, LMFTs, LCSWs, and LPCCs pay an additional \$20 biennial fee at renewal, which shall be deposited in the Mental Health Practitioner Education Fund. (Business and Professions Code (BPC) §§4984.75, 4996.65, 4999.121)
- 2) Creates the Licensed Mental Health Service Provider Education Program within the Department of Health Care Access and Information (HCAI). (Health and Safety Code (HSC) §§128454(a))
- 3) Defines a "licensed mental health service provider" to include several types of licensed mental health professionals, including marriage and family therapists, associate marriage and family therapists, licensed clinical social workers, associate clinical social workers, licensed professional clinical counselors, and associate professional clinical counselors. (HSC §128454(b)(1))

- 4) Defines a "mental health professional shortage area" as an area given this designation by the Health Resources and Services Administration of the U.S. Department of Health and Human Services. (HSC §128454(b)(2))
- Allows any licensed mental health service provider who provides direct patient care in a publicly funded facility or a mental health professional shortage area to apply for grants under this program to reimburse educational loans related to a career as a licensed mental health service provider. (HSC §128454(c))
- Requires the HCAI to develop the grant program, including adopting the following (HSC §128454(d) and (e)):
  - A standard contract that a grant recipient must sign obligating them to work in a publicly funded facility or a mental health professional shortage area for at least one year.
  - The maximum allowable total grant per person and the maximum annual grant per person.
- 7) Establishes the Mental Health Practitioner Education Fund in the State Treasury, which is to be available for the HCAI for purposes of providing grants for licensed mental health services providers who provide direct patient care in a publicly funded facility or a mental health professional shortage area to reimburse educational loans. (HSC §128458)
- 8) When selecting loan repayment recipients, requires the mental health workforce needs, including cultural and linguistic needs, of the state in general and of the qualified facilities and mental health professional shortage areas, to be taken into consideration. (22 California Code of Regulation (CCR) §97930.7)
- 9) Requires a recipient of a loan repayment grant to provide service for 24 months for no less than 32 hours per week. (22 CCR §97930.8(a))
- 10) Creates an additional account in the Mental Health Practitioner Education Fund, dependent on appropriation by the Legislature. Money from this account is to be used to provide grants to repay education loans for marriage and family therapists, associate marriage and family therapists, licensed clinical social workers, associate clinical social workers, licensed professional clinical counselors, and associate professional clinical counselors who commit to providing direct patient care in a publicly funded facility or mental health professional shortage area for at least 24 months, and who were formerly in California's foster youth care system. (HSC §128455)
- 11) Requires the California Student Aid Commission (Commission) to administer the Golden State Teacher Grant Program. The program provides one-time grants of up to \$20,000 to qualifying students enrolled in a professional preparation program leading to a preliminary teaching credential if the student commits to working in a

high-need field at a priority school for four years after receiving their credential. (Education Code (EC) §69617)

# This Bill:

- 1) Requires the Student Aid Commission (Commission) to establish a grant program to administer the Mental Health Workforce Grant Program, which is established to increase the number of mental health professionals serving children and youth. (EC §69540(a))
- 2) Under the grant program, the Commission shall award up to 10,000 grants over a 3-year period. Grants may be up to \$25,000 each. (EC §695640(b))
- 3) Specifies that to be eligible for a grant, an applicant must meet all of the following (EC §69540(c)):
  - a. They are enrolled in a California postgraduate program at an accredited school or department of social work, or a postgraduate program meeting the requirements of BPC §§4980.36 (for LMFT licensure) 4989.20 (for LEP licensure) or 4999.33 (for LPCC licensure). Alternatively, they may be enrolled in a California pupil personnel services credential program as described in EC §44266. Enrollment must be on or after January 1, 2022.
  - **b.** They commit to doing all of the following:
    - i) Working with either an eligible California-based nonprofit entity or a local educational agency for their supervised experience hours for LMFT, LEP, or LPCC licensure, or meeting the requirements of the services credential with a specialization in pupil personnel services. (Note: the bill currently contains incorrect references to the code sections requiring supervised experience for LMFT and LPCC applicants.)
    - **ii)** Working with an eligible California-based nonprofit entity or local educational agency for two years upon completing the postgraduate or credential program.
    - **iii)** They satisfy the requirements to become a registered ASW, APCC, or AMFT upon completing their postgraduate or credential program.
- 4) Requires a grant recipient to repay the state for each year they fail to fulfill the program's requirements. (EC §69540(g))
- 5) Requires nonperformance of the commitment to work with an eligible Californiabased nonprofit entity or local educational agency to be certified by the department. Nonperformance of the commitment to earn an eligible degree in a

- postgraduate or credential program is to be certified by the Commission. (EC §69540(h) and (i))
- Allows exceptions to the repayment requirement, to be defined by the Commission. This includes, but is not limited to, counting a school year toward fulfillment of the two-year work commitment if the recipient is unable to complete the school year when the following occurs (EC §69540(j)):
  - **a.** The employer deems the recipient to have fulfilled their contractual requirements for the school year for purposes of salary increases, probationary or permanent status, or retirement.
  - **b.** The recipient is unable to fulfill their contractual requirements due to the financial circumstances of the nonprofit entity or local educational agency, including a decision not to rehire the recipient for the next school year.
  - **c.** The recipient has a condition covered under the federal Family and Medical Leave Act of 1993, or similar state law.
  - **d.** The recipient was called to active duty as a member of a reserve component of the U.S. Armed Forces for more than 30 days.
- 7) Requires the Commission to award at least 60% of the grants to applicants who commit to working with a local educational agency for their required supervised experience hours. (EC §69540(I))
- 8) Requires the Commission to give priority in awarding grants to communities with the greatest need, as determined by the department, including factors such as adverse childhood experiences (ACES) scores. (EC §69540(m))
- 9) Defines "eligible California-based nonprofit entity" as a nonprofit entity located in California that provides mental health services to children and youth. (EC §69540(o)(1))

#### Comment:

1) Author's Intent. The intent of this bill is to increase the number of behavioral health professionals serving children and youth at public schools and in community-based organizations. In their fact sheet for the bill, the author states the following:

"California is experiencing a shortage of behavioral health professionals, and the need is expected to grow over the next decade. Currently, just under eight million Californians—the majority of them Latinx, African American, and Native American—live in Behavioral Health Professional Shortage Areas, a federal designation for geographic regions experiencing shortfalls of behavioral health care providers. California leads the nation in the highest number of these areas, with 498 regions receiving this designation."

- 2) Technical Amendments. Staff recommends the following subsections be amended or clarified:
  - EC section 69540(c)(1) This subparagraph states that the student needs to be enrolled in a school program meeting the requirements for licensure as an LMFT, LEP, or LPCC, and specifies the sections containing the education requirements. However, it appears the bill intends to also include clinical social workers. Therefore, staff believes section 4996.18, which specifies education requirements for LCSW licensure, should also be listed here. Additionally, it may not be necessary to reference BPC section 4989.20 (LEP licensure requirements) since the subparagraph already references EC 44266, which are the minimum education requirements for a pupil personnel services credential.
  - EC section 69540(c)(2)(A) This subparagraph references required supervised experience hours for LMFT, LEP, and LPCC licensure. However, it is referencing the incorrect sections for LMFT and LPCC experience requirements and does not reference LCSW experience hour requirements. The correct sections to reference are 4980.43 (LMFTs), 4996.23 (LCSWs), and 4999.46 (LPCCs).
  - EC section 69540(c)(2)(C) This subparagraph states that one condition of the grant program is for the recipient to ultimately achieve registration as an ASW, APCC, or AMFT. Since LEPs are also being included in the program, either receipt of the LEP license and/or receipt of a pupil personnel services credential should also be included here.
  - EC section 69540(h) and (m) require "the department" to certify nonperformance of an applicant's commitment to work with an eligible California-based nonprofit or local education entity, and to also determine how to give priority in awarding grants to communities with the greatest need. However, the "department" being referred to in the context of this bill is unclear. It is likely that the Student Aid Commission should be performing both these tasks.
- **Funding Source.** According to the sponsors of the bill, this proposal is accompanied by a \$250 million budget request to fund the grant program.
- **4) Related Legislation.** There are several similar bills running this year that seek to address the mental health provider shortage through financial incentives:

- AB 1635 (Nguyen) creates a new account in the Mental Health Practitioner
  Education Fund to provide grants to repay education loans for specified
  Board licensees and registrants who commit to providing direct patient care
  for at least 24 months in an organization that provides mental health services
  to individuals who have been referred there by a suicide prevention hotline.
- AB 2123 (Villapudua) seeks to provide housing grants to certain specified health professionals in health professional shortage areas, to be used for mortgage payments.
- AB 2222 (Reyes) establishes a scholarship program for certain qualifying students enrolled in an in-state postgraduate program working to become LMFTs, LCSWs, or LPCCs if they commit to working in a California-based nonprofit setting for their required post degree hours of supervised experience.
- **AB 2666 (Salas)** establishes a stipend program for students in behavioral health fields of study and practice, who are participating in internships or completing licensure hours, through unpaid positions, at federally qualified health centers, with priority to mental health professional shortage areas and underrepresented groups in the behavioral health workforce.

# 5) Previous Legislation

- AB 1188 (Chapter 557, Statutes of 2017) increased the Mental Health
  Practitioner fee that LMFTs and LCSWs pay upon license renewal from \$10
  to \$20. It also required LPCCs to pay a \$20 fee into the fund upon license
  renewal (they previously were not included in the program) and allows LPCCs
  and associate PCCs to apply for the loan repayment grant if they work in a
  mental health professional shortage area.
- AB 2143 (Caballero, 2018) proposed allowing psychiatric mental health nurse practitioners and physician assistants, who also hold a specified license with this Board or the Board of Psychology, and who work in a psychiatric mental health setting, to be eligible for the Mental Health Practitioner Education fund loan repayment grant program. The Board had taken an "oppose unless amended" position on this bill, and it was vetoed by the Governor.
- AB 2608 (Chapter 585, Statutes of 2018) created a new account under the Mental Health Practitioner Education Fund loan repayment grant program specifically for loan repayment grants for LMFT, LCSW, and LPCC licensees and registrants who were formerly in California's foster youth care system.

# 6) Support and Opposition

# Support:

- State Superintendent of Public Instruction Tony Thurmond (Sponsor)
- California Alliance of Child and Family Services (Sponsor)

#### Opposition:

None at this time.

# 7) History

- 04/18/22 Re-referred to Com. on RLS.
- 04/18/22 Withdrawn from committee.
- 04/18/22 From committee with author's amendments. Read second time and amended. Re-referred to Com. on HEALTH.
- 03/23/22 Re-referred to Com. on HEALTH.
- 03/16/22 From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.
- 03/02/22 Referred to Com. on RLS.
- 02/18/22 From printer.
- 02/17/22 Article IV Section 8(a) of the Constitution and Joint Rule 55 dispensed with February 7, 2022, suspending the 30-calendar day requirement.
- 02/17/22 Introduced. Read first time. To Com. on RLS. for assignment. To print.

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# AMENDED IN SENATE APRIL 18, 2022 AMENDED IN SENATE MARCH 16, 2022

#### SENATE BILL

No. 1229

### **Introduced by Senator McGuire**

February 17, 2022

An act to add Chapter 1.7 (commencing with Section 127850) to Part 3 of Division 107 of the Health and Safety Code, relating to mental health. An act to add Article 3 (commencing with Section 69540) to Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, relating to student financial aid.

#### legislative counsel's digest

SB 1229, as amended, McGuire. Mental-health workforce grants. *Health Workforce Grant Program*.

Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. Existing law requires the governing board of a school district to give diligent care to the health and physical development of pupils and authorizes the governing board of a school district to employ properly certified persons for this purpose.

This bill, subject to an appropriation by the Legislature for these purposes, would require the commission to administer the Mental Health Workforce Grant Program, which would be established by the bill, to increase the number of mental health professionals serving children and youth. The bill would require the commission to award up to 10,000 grants to postgraduate students over a 3-year period in amounts of up to \$25,000 each, as specified. The bill would prescribe eligibility requirements for the grants, including that a grant recipient be enrolled

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on or after January 1, 2022, in an eligible California postgraduate or credential program. The bill would require the recipient to make specified commitments, including a commitment to work with an eligible California-based nonprofit entity, as defined, or a local educational agency for specified required supervised experience hours and a commitment that, upon completion of the postgraduate program, the recipient satisfies the requirements to become a registered associate clinical social worker, associate professional clinical counselor, or associate marriage and family therapist.

Existing law establishes various health professions education programs within the Department of Health Care Access and Information through which scholarships, loan repayment grants, recruitment or training services, or other benefits are provided to certain health professionals, including mental health service providers, physicians, registered nurses, and vocational nurses, if they meet specified criteria. Existing law authorizes the department to award competitive grants to expand the supply of certain behavioral health professionals serving children and youth, as specified.

This bill would require the department to establish a grant program, in collaboration with the Superintendent of Public Instruction, to increase the number of mental health professionals serving children and youth. The bill would require the department to award up to 10,000 grants to postgraduate students over a 3-year period in amounts of up to \$25,000 each. The bill would prescribe eligibility requirements for the grants, including that the student be enrolled on or after January 1, 2022, in a California postgraduate program at an accredited school or department of social work or enrolled in a specified master's or doctoral degree postgraduate program. The bill would require the student to maintain good academic standing while enrolled in the postgraduate program and to make specified commitments, including a commitment to work with an eligible California-based nonprofit entity, as defined, or a local educational agency for specified required supervised experience hours and a commitment that, upon completion of the postgraduate program, the student satisfies the requirements to become a registered associate clinical social worker, associate professional clinical counselor, or an associate marriage and family therapist. The bill would require the department to award at least 50% of the grants to students who commit to working with an eligible California-based nonprofit entity for their required supervised experience hours and would require the department to give priority in awarding grants to communities with the greatest

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need and with the highest adverse childhood experiences (ACES) scores. The bill would authorize the department to award the grants in a one-time payment or in 2 installment payments.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

- (a) California is experiencing a shortage of licensed behavioral health professionals and the shortage is expected to grow over the next decade. Currently, just under 8,000,000 Californians, the majority of them being Latino, African American, and Native American, live in Mental Health Professional Shortage Areas (MHPSAs), a federal designation for geographic regions experiencing shortfalls of mental health care providers. California leads the nation in the highest number of MHPSAs, with 498 regions receiving this designation.
- (b) In 2016, California had over 80,000 licensed behavioral health professionals. Yet, information from the Kaiser Family Foundation suggests that California is only meeting 30 percent of its overall need for a professionally trained behavioral health workforce. Much of the available workforce is concentrated in dense urban areas, resulting in an uneven distribution among the state. The bay area and the City of Los Angeles have less of a behavioral health workforce shortage than other areas, including the central valley and rural northern California.
- (c) California is experiencing a behavioral health crisis among our youth. In June of 2021, more than 140,000 children in the United States had lost a primary or secondary caregiver due to COVID-19. In addition to death and illness of family members due to COVID-19, students have experienced increased anxiety and reduced interactions with peers, struggled with distance learning, and many saw their families' financial situations worsen. In one metaanalysis of international youth during COVID-19, researchers discovered that one in four youth encountered clinically heightened depressive symptoms and one in five youth faced heightened anxiety symptoms. The recent United States Surgeon General's Advisory on Protecting Youth Mental Health emphasizes

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that youth from communities of color, LGBTQ+ youth, and other specialized youth populations are at greater risk of mental health challenges during the current pandemic. Pediatric hospitalizations have doubled from one year ago.

SEC. 2. Chapter 1.7 (commencing with Section 127850) is added to Part 3 of Division 107 of the Health and Safety Code, to read:

# Chapter 1.7. Mental Health Workforce Grants

- 127850. (a) The Department of Health Care Access and Information shall establish a grant program, in collaboration with the Superintendent of Public Instruction, to increase the number of mental health professionals serving children and youth.
- (b) Under the program, the department shall award up to 10,000 grants over a three year period in amounts of up to twenty five thousand dollars (\$25,000) each.
- (c) Grants shall be awarded to a postgraduate student who meets the following requirements:
- (1) The student is enrolled on or after January 1, 2022, in a California postgraduate program at an accredited school or department of social work or enrolled in a postgraduate program meeting the requirements of Section 4980.36 or 4999.33 of the Business and Professions Code.
- (2) The student maintains good academic standing while enrolled in the postgraduate program.
  - (3) The student commits to all of the following:
- (A) Working with an eligible California based nonprofit entity or a local educational agency for their required supervised experience hours pursuant to Section 4980.43 or 4999.46 of the Business and Professions Code.
- (B) Working with an eligible California-based nonprofit entity or a local educational agency for two years upon completion of the postgraduate program.
- (C) Upon completion of the postgraduate program, satisfying the requirements to become a registered associate clinical social worker, associate professional clinical counselor, or an associate marriage and family therapist.
- (d) The department shall award at least 50 percent of the grants to students who commit to working with an eligible

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California based nonprofit entity for their required supervised experience hours, as described in subparagraph (A) of paragraph (3) of subdivision (c).

- (e) The department shall give priority in awarding grants to communities with the greatest need and with the highest adverse childhood experiences (ACES) scores.
- (f) The department may award a grant to a postgraduate student in a one-time payment or in two installment payments.
- (g) The grant award shall include a clawback provision to allow the department to reclaim the grant funds from a student who does not fulfill their commitments under paragraph (3) of subdivision (c) or under subdivision (d).
- (h) As used in this section, "eligible California based nonprofit entity" means a nonprofit entity located in California that serves children and youth.
- SEC. 2. Article 3 (commencing with Section 69540) is added to Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, to read:

#### Article 3. Mental Health Workforce Grant Program

- 69540. (a) Subject to moneys appropriated by the Legislature for the purposes of this article, the commission shall administer the Mental Health Workforce Grant Program, which is hereby established, to increase the number of mental health professionals serving children and youth.
- (b) Under the program, the commission shall award up to 10,000 grants over a three-year period in amounts of up to twenty-five thousand dollars (\$25,000) each.
- (c) Each grant shall be awarded to an applicant who meets all of the following requirements:
- (1) The applicant is enrolled, on or after January 1, 2022, in a California postgraduate program or pupil personnel services credential program at an accredited school or department of social work that meets the requirements of Section 4980.36, 4989.20, or 4999.33 of the Business and Professions Code, or the services credential with a specialization in pupil personnel services described in Section 44266.
  - (2) The applicant commits to all of the following:

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(A) Working with an eligible California-based nonprofit entity or a local educational agency for their required supervised experience hours pursuant to Section 4980.36, 4989.20, or 4999.33 of the Business and Professions Code, or meeting the requirements of the services credential with a specialization in pupil personnel services described in Section 44266.

- (B) Working with an eligible California-based nonprofit entity or a local educational agency for two years upon completion of the postgraduate or credential program.
- (C) Upon completion of the postgraduate or credential program, satisfying the requirements to become a registered associate clinical social worker, associate professional clinical counselor, or associate marriage and family therapist.
- (d) Funds appropriated for the program in the Budget Act of 2022 shall be available for encumbrance or expenditure by the commission until June 30, 2025.
- (e) Grants shall be used to supplement and not supplant other sources of grant financial aid.
- (f) The one-time grants issued pursuant to this article shall not exceed the amount appropriated for the program in the Budget Act of 2022.
- (g) Except as provided in subdivision (j), a grant recipient shall agree to repay the state annually a proportional percentage of the total grant funds received by the applicant, as determined by the commission, up to full repayment of the received grant funds, for each year the recipient fails to fulfill the requirements in paragraph (1) of subdivision (c) or their commitments made in accordance with subparagraphs (A) to (C), inclusive, of paragraph (2) of subdivision (c).
- (h) Nonperformance of the commitment to work with an eligible California-based nonprofit entity or local education agency shall be certified by the department.
- (i) Nonperformance of the commitment to earn an eligible degree in a postgraduate or credential program described in paragraph (1) of subdivision (c) shall be certified by the commission.
- (j) Any exceptions to the requirement for repayment shall be defined by the commission, and may include, but shall not necessarily be limited to, counting a school year towards fulfillment of a grant recipient's two-year work commitment made pursuant

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to subparagraph (B) of paragraph (2) of subdivision (c), if a grant recipient is unable to complete the school year when any of the following occurs:

- (1) The employer deems the recipient to have fulfilled the recipient's contractual requirements for the school year for purposes of salary increases, probationary or permanent status, and retirement.
- (2) The recipient was unable to fulfill their contractual requirements due to the financial circumstances of the nonprofit entity or local educational agency, including a decision to not reelect or rehire the recipient for the next succeeding school year.
- (3) The recipient has a condition covered under the federal Family and Medical Leave Act of 1993 (29 U.S.C. Sec. 2601 et seq.) or similar state law.
- (4) The recipient was called or ordered to active duty status for more than 30 days as a member of a reserve component of the Armed Forces of the United States.
- (k) The commission may use up to 1 and one-half percent of funding appropriated for purposes of this article for program outreach and administration.
- (l) The commission shall award at least 60 percent of the grants to eligible applicants who commit to working with a local educational agency for their required supervised experience hours, as described in subparagraph (A) of paragraph (2) of subdivision (c).
- (m) The commission shall give priority in awarding grants to communities with the greatest need, as determined by the department, including factors such as adverse childhood experiences (ACES) scores.
- (n) The commission may award a grant to a grant recipient in a one-time payment or in two installment payments.
- (o) As used in this section, unless the context requires otherwise, the following definitions apply:
- (1) "Eligible California-based nonprofit entity" means a nonprofit entity located in California that provides mental health services to children and youth.
- (2) "Grant program" or "program" means the Mental Health Workforce Grant Program established pursuant to this article.
- (p) The commission may adopt regulations necessary for the implementation of the program. The commission may adopt

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- 1 emergency regulations it deems necessary for the implementation
- 2 of this program, in accordance with the rulemaking provisions of
- 3 the Administrative Procedure Act (Chapter 3.5 (commencing with
- 4 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
- 5 Code). For purposes of the Administrative Procedure Act, including
- 6 Section 11349.6 of the Government Code, the adoption of those
- 7 regulations shall be deemed to be an emergency and necessary
- 8 for the immediate preservation of the public peace, health and
- 9 safety, or general welfare, notwithstanding subdivision (e) of
- 10 Section 11346.1 of the Government Code.

O