

## CALIFORNIA STATE BOARD OF BEHAVIORAL SCIENCES BILL ANALYSIS

---

**BILL NUMBER:** SB 1229

**VERSION:** AMENDED MARCH 16, 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 GRANTS

---

**Summary:** This bill creates a grant program under the Department of Health Care Access and Information 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, or a program designed to lead to licensure as a marriage and family therapist (LMFT) or professional clinical counselor (LPCC) if the student meets 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 required for licensure.

### **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))

- 5) 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))
- 6) 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)

**This Bill:**

- 1) Requires the Department of Health Care Access and Information (HCAI) to establish a grant program to increase the number of mental health professionals serving children and youth. (HSC §127850(a))
- 2) Under the grant program, HCAI shall award up to 10,000 grants over a 3-year period. Grants may be up to \$25,000 each. (HSC §127850(b))

- 3) Specifies that to be eligible for a grant, a postgraduate student must meet all of the following (HSC §127850(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) or 4999.33 (for LPCC licensure), on or after January 1, 2022.
  - b. They maintain good academic standing while enrolled in their postgraduate program.
  - c. 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 that are required pursuant to 4980.43 (LMFT licensure) or 4999.46 (LPCC licensure).
    - ii) Upon completing their postgraduate program, they work with an eligible California-based nonprofit entity or local educational agency for two years.
    - iii) They satisfy the requirements to become a registered ASW, APCC, or AMFT upon completing their postgraduate program.
- 4) Defines “eligible California-based nonprofit entity” as a nonprofit entity located in California that serves children and youth. (HSC §127850(h))
- 5) Requires a grant award to include a claw back provision that allows HCAI to reclaim the grant funds from a student who does not fulfill the requirements of the program. (HSC §127850(g))
- 6) Requires HCAI to award at least 50 percent of the grants to students who commit to working with an eligible California-based nonprofit entity for their required supervised experience hours. (HSC §127850(d))
- 7) When awarding grants, requires HCAI to give priority to communities with the greatest need and with the highest adverse childhood experiences (ACES) scores. (HSC §127850(e))
- 8) Allows a grant to be awarded to a postgraduate student as a one-time payment, or in two installments. (HSC §127850(f))

**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:

- HSC section 127850(c)(3)(A) – This subparagraph states that the student needs to commit to working for a nonprofit or local educational agency for their required supervised experience pursuant to BPC 4980.43 (for LMFTs) or 4999.46 (for LPCCs.). However, it appears the bill intends to also include social workers. Therefore, staff believes section 4996.23, which outlines the supervised experience requirements for LCSW licensure, should also be listed here.
- HSC section 127850(c)(3)(B) – Subsection (3) states that both (A) and (B) need to be true in order to qualify for the grant program. However, experience referenced in (A) is typically gained over at least a 2-year period (although often it takes longer to gain all experience hours), calling into question the need for both (B). Staff recommends the work requirement be clarified to specify its intended length more clearly.

- 3) **Inclusion of LEPs.** One of the permissible work settings to fulfill the obligations of the grant program is a local educational agency. However, the Board's educational psychologist license type (LEPs) are not included as allowable recipients of the grant funds.

The Board may wish to discuss whether LEPs should also be included in the grant program. LEPs are also required to obtain a master's degree in psychology, school psychology, counseling and guidance or a similar field. They must also obtain two years of full-time experience as a credentialed school psychologist in the public schools (BPC §4989.20). However, unlike the Board's other license types, they are not required to register with the Board to gain hours of supervised experience toward licensure. Therefore, their criteria to qualify for the program would need to be structured a bit differently.

- 4) **Funding Source.** According to the sponsors of the bill, this proposal is accompanied by a \$250 million budget request to fund the grant program.
- 5) **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.
- 6) **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.

## 7) 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.

## 8) History

### **2022**

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.

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 ~~elementary and secondary education.~~ mental health.

**legislative counsel's digest**

SB 1229, as amended, McGuire. ~~Elementary and secondary education.~~ Mental health workforce grants.

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 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.*

~~Existing law establishes a system of elementary and secondary education in this state, under which local educational agencies provide instruction to pupils in kindergarten and grades 1 to 12, inclusive, at schoolsites throughout the state.~~

~~This bill would express the intent of the Legislature to enact subsequent legislation relating to elementary and secondary education.~~

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

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

- 1     SECTION 1. *The Legislature finds and declares all of the*
- 2     *following:*
- 3     (a) *California is experiencing a shortage of licensed behavioral*
- 4     *health professionals and the shortage is expected to grow over the*
- 5     *next decade. Currently, just under 8,000,000 Californians, the*
- 6     *majority of them being Latino, African American, and Native*
- 7     *American, live in Mental Health Professional Shortage Areas*
- 8     *(MHPSAs), a federal designation for geographic regions*
- 9     *experiencing shortfalls of mental health care providers. California*
- 10    *leads the nation in the highest number of MHPSAs, with 498*
- 11    *regions receiving this designation.*



1 (b) In 2016, California had over 80,000 licensed behavioral  
 2 health professionals. Yet, information from the Kaiser Family  
 3 Foundation suggests that California is only meeting 30 percent of  
 4 its overall need for a professionally trained behavioral health  
 5 workforce. Much of the available workforce is concentrated in  
 6 dense urban areas, resulting in an uneven distribution among the  
 7 state. The bay area and the City of Los Angeles have less of a  
 8 behavioral health workforce shortage than other areas, including  
 9 the central valley and rural northern California.

10 (c) California is experiencing a behavioral health crisis among  
 11 our youth. In June of 2021, more than 140,000 children in the  
 12 United States had lost a primary or secondary caregiver due to  
 13 COVID-19. In addition to death and illness of family members due  
 14 to COVID-19, students have experienced increased anxiety and  
 15 reduced interactions with peers, struggled with distance learning,  
 16 and many saw their families' financial situations worsen. In one  
 17 metaanalysis of international youth during COVID-19, researchers  
 18 discovered that one in four youth encountered clinically heightened  
 19 depressive symptoms and one in five youth faced heightened anxiety  
 20 symptoms. The recent United States Surgeon General's Advisory  
 21 on Protecting Youth Mental Health emphasizes that youth from  
 22 communities of color, LGBTQ+ youth, and other specialized youth  
 23 populations are at greater risk of mental health challenges during  
 24 the current pandemic. Pediatric hospitalizations have doubled  
 25 from one year ago.

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

29  
 30 **Chapter 1.7. Mental Health Workforce Grants**

31  
 32 127850. (a) The Department of Health Care Access and  
 33 Information shall establish a grant program, in collaboration with  
 34 the Superintendent of Public Instruction, to increase the number  
 35 of mental health professionals serving children and youth.

36 (b) Under the program, the department shall award up to 10,000  
 37 grants over a three-year period in amounts of up to twenty-five  
 38 thousand dollars (\$25,000) each.

39 (c) Grants shall be awarded to a postgraduate student who  
 40 meets the following requirements:

- 1     (1) *The student is enrolled on or after January 1, 2022, in a*  
2 *California postgraduate program at an accredited school or*  
3 *department of social work or enrolled in a postgraduate program*  
4 *meeting the requirements of Section 4980.36 or 4999.33 of the*  
5 *Business and Professions Code.*
- 6     (2) *The student maintains good academic standing while*  
7 *enrolled in the postgraduate program.*
- 8     (3) *The student commits to all of the following:*
- 9         (A) *Working with an eligible California-based nonprofit entity*  
10 *or a local educational agency for their required supervised*  
11 *experience hours pursuant to Section 4980.43 or 4999.46 of the*  
12 *Business and Professions Code.*
- 13         (B) *Working with an eligible California-based nonprofit entity*  
14 *or a local educational agency for two years upon completion of*  
15 *the postgraduate program.*
- 16         (C) *Upon completion of the postgraduate program, satisfying*  
17 *the requirements to become a registered associate clinical social*  
18 *worker, associate professional clinical counselor, or an associate*  
19 *marriage and family therapist.*
- 20         (d) *The department shall award at least 50 percent of the grants*  
21 *to students who commit to working with an eligible*  
22 *California-based nonprofit entity for their required supervised*  
23 *experience hours, as described in subparagraph (A) of paragraph*  
24 *(3) of subdivision (c).*
- 25         (e) *The department shall give priority in awarding grants to*  
26 *communities with the greatest need and with the highest adverse*  
27 *childhood experiences (ACES) scores.*
- 28         (f) *The department may award a grant to a postgraduate student*  
29 *in a one-time payment or in two installment payments.*
- 30         (g) *The grant award shall include a clawback provision to allow*  
31 *the department to reclaim the grant funds from a student who does*  
32 *not fulfill their commitments under paragraph (3) of subdivision*  
33 *(c) or under subdivision (d).*
- 34         (h) *As used in this section, “eligible California-based nonprofit*  
35 *entity” means a nonprofit entity located in California that serves*  
36 *children and youth.*

1     ~~SECTION 1. It is the intent of the Legislature to enact~~  
2     ~~subsequent legislation relating to elementary and secondary~~  
3     ~~education.~~

O