

COUNTY OF EL DORADO

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February 23, 2021

The Honorable Susan Talamantes Eggman
Chair, Senate Budget and Fiscal Review Subcommittee #3
State Capitol, Room 4052
Sacramento, CA 95814

The Honorable Joaquin Arambula, M.D.
Chair, Assembly Budget Subcommittee #1
State Capitol, Room 5155
Sacramento, CA 95814

Re: Support for IHSS Collective Bargaining Budget Proposal

Dear Senator Talamantes Eggman and Assembly Member Arambula:

On behalf of the County of El Dorado, I write in strong support of the county and union coalition In-Home Supportive Services (IHSS) collective bargaining budget proposal. The budget proposal cosponsored by CSAC, CAPA, CWDA, UCC, RCC, UDW/AFSCME Local 3930, and SEIU California would maintain the current fiscal tools that are essential in local bargaining to reach agreement for IHSS wages and benefits increases.

Existing Collective Bargaining Funding Mechanisms

Under current law, counties and the state share the nonfederal cost for locally negotiated increases to wages and health benefits for IHSS providers. Counties are responsible for 35 percent of the nonfederal share and the state participates in 65 percent of the nonfederal share of cost for increases up to the state participation cap, which is set at \$1.10 above the state minimum wage. For increases above that amount, the county is responsible for 100 percent of the nonfederal share. However, there is a tool available, referred to as the ten percent over three years tool, that allows the county to receive state participation above the state participation cap. With this tool, the state will participate above the state participation cap at the 65 percent share of cost in a cumulative total of up to a ten percent increase in the sum of the combined total of changes in wages or health benefits, or both, over a three-year period.

The current sharing ratio and ten percent over three years tool, combined with the wage supplement tool and the new county IHSS Maintenance of Effort (MOE), have resulted in an increased number of collective bargaining agreements being reached. In the first 18 months of the new IHSS MOE that was enacted on July 1, 2019, county Public Authorities and provider unions have reached 24 new agreements, bringing the total to 45 counties that have increased IHSS provider wages since 2017. In our county, in February 2020 the Public Authority executed a new IHSS Maintenance of Effort (MOE) that established a \$.50 per hour supplement on top of the base wage for Providers, of state or federal minimum wage, whichever is higher. In addition the current MOE established a contribution to the Union Health Care Trust Fund (for the sole purpose of providing dental and vision to Providers covered under the MOU who work more than 60 hours per month) of \$.20 per hour for every Provider hour actually worked in a month.

Upcoming Changes

On January 1, 2022, current law will alter two of these funding mechanisms in a manner that will make it more difficult to make progress on IHSS collective bargaining. First, the historic sharing ratio will flip, with the county becoming responsible for 65 percent of the nonfederal share and the state covering 35 percent of the nonfederal share. Second, the ten percent over three years tool is no longer available, as current law indicates that any use of this tool must begin prior to January 1, 2022.

Continuity of IHSS Collective Bargaining Funding Mechanisms Budget Proposal

The coalition budget proposal contains two elements that will continue the current environment that has led to an increased number of agreements. First, it proposes to eliminate the language in statute that would change the sharing ratio on January 1, 2022. The sharing ratio for local wage and benefit increases would instead remain at the current 35 percent county/65 percent state breakdown up to the state participation cap. Second, the ten percent over three years tool would be extended. There are limitations in statute that require the use of this tool to begin prior to January 1, 2022 and for a county to only be able to use the tool for two three-year periods. The proposal would continue the use of this tool beyond January 1, 2022 and allow a county to utilize the tool more than two times.

Our county is concerned about potential negative impacts on IHSS collective bargaining as the county costs for any future wage and benefit increases would nearly double without this proposal. Maintaining the existing funding mechanisms is the best way to sustain progress on IHSS collective bargaining.

For these reasons, the County of El Dorado respectfully requests your support for the continuity of IHSS collective bargaining funding mechanisms budget proposal. Thank you for your consideration.

Sincerely,

John Hidahl, Chair
Board of Supervisors

cc: Honorable Members, Senate Budget and Fiscal Review Subcommittee #3
Honorable Members, Assembly Budget Subcommittee #1
The Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Committee
The Honorable Phil Ting, Chair, Assembly Budget Committee
Renita Polk, Consultant, Senate Budget and Fiscal Review Committee
Nicole Vazquez, Consultant, Assembly Budget Committee
Rebecca Hamilton, Senate Republican Fiscal Office
Eric Dietz, Assembly Republican Fiscal Office
Mareva Brown, Office of the Senate President pro Tempore
Gail Gronert, Office of the Assembly Speaker
Ginni Bella Navarre, Legislative Analyst's Office
Kim Johnson, Director, Department of Social Services
Adam Dorsey, Department of Finance
Tam Ma, Deputy Legislative Secretary, Office of Governor Newsom
Justin Garrett, California State Association of Counties