

## City of Whittier

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Joe Vinatieri Mayor

Cathy Warner Mayor Pro Tem

Octavio Martinez Council Member

Fernando Dutra Council Member

Mary Ann Pacheco Council Member

Brian Saeki City Manager September 12, 2024

The Honorable Gavin Newsom Governor, State of California 1021 O Street, Suite 9000 Sacramento, CA 95814

RE: <u>AB 2561 (McKinnor) Local public employees: vacant positions</u>. Request for VETO (*As Amended* 08/23/2024)

Dear Governor Newsom:

The City of Whittier respectfully requests a **veto** on 2561 (McKinnor), which would require all local agencies to hold a public hearing on the status of vacancies before their governing board at least once per fiscal year. This will inherently create an expensive reimbursable state mandate, adding needless pressure on the state budget at a time of significant budget challenges. Based on conservative estimate of costs, AB 2561 will result in annual reimbursable costs of up to \$13.5 million, or more - not including the additional reporting costs imposed upon agencies with bargaining units that experience vacancy rates exceeding 20%.

The City of Whittier agrees with the author - the status quo is not sustainable. However, the measure does not address the root causes of low labor force participation rates in California across all sectors. Instead, the measure would create additional layers of bureaucracy that distract from meaningful efforts to recruit and retain the public sector workforce.

## **Labor Force Participation Rates and Barriers to Work**

Vacancies are unavoidable for both the public and private sectors. A nonexistent vacancy rate for any duration of time is an unreasonable expectation in our modern labor market, particularly for public agencies that lack the financial resources to encourage recruitment and remote work flexibility enjoyed by many employers in the private sector. Public agencies have been frustrated by persistent high vacancy rates in certain fields despite genuine efforts to bolster the public sector workforce. It is an

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unfortunate reality that many of the contributing factors that affect public sector hiring are forces of the market that are outside of our immediate control. California's growing workforce needs are constrained by the labor supply.

## **Local Public Agencies Are Addressing Labor Shortages Directly Every Day**

Local government decision makers and public agency department leaders recognize the impact that long-term vacancy rates have, both on current employees and those who receive services from those departments. The City of Whittier is also competing with both the private sector and other government agencies to attract new talent.

To promote hiring of police officers, in 2020, the Whittier City Council instituted a \$15,000 lateral police officer hiring incentive as well as a \$5,000 employee referral incentive. However, to remain competitive in the law enforcement job market and increase lateral officer interest, the City Council increased the lateral incentive to \$20,000 in 2022. To increase retention of officers, the City of Whittier also offers education pay for those who have at least an associate's degree. The City also established the Police Residence Incentive Program to provide eligible sworn police personnel a lifetime loan up to \$75,000 to purchase and/or remodel the employee's principal residence within the City of Whittier.

To promote retention among civilian full-time staff, the City of Whittier offers longevity pay for those that have completed at least 10 years of service. Moreover, the City offers a Tuition Reimbursement program that covers six classes each fiscal year at 75% of Cal State Fullerton's tuition, along with up to \$250 for required books.

Despite these efforts, vacancies persist. If the true intent of AB 2561 is to provide a path for public agencies to reduce staff vacancies, diverting staff away from core service delivery and mandating they spend time preparing for public hearings on their vacancy rates will not achieve that goal. Adding another mandate on public agencies will not solve the problem this bill has identified. It is just as likely to create even more burn-out from employees that will be tasked with producing the very report this bill mandates.

## **Cities Are Committed to Partnership to Identify Better Solutions**

Local agencies are committed to continuing the work happening now between all levels of government and the workforce to expand pipeline programs, build pathways into public sector jobs, modernize the hiring process, and offer competitive compensation. The City of Whittier cannot close its workforce shortages overnight. It will take investment from educational institutions, all levels of government, and the private sector to meet the workforce demands across the country. We must use our limited human resources staff to hire and train employees rather than diverting resources to prepare for unnecessary public hearings that will tell us what we already know.

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For these reasons, the City of Whittier requests a veto on AB 2561.

Sincerely,

Joe Vinatieri Mayor

cc: The Honorable Assembly Member Tina McKinnor (via email:

 $\underline{assemblymember.McKinnor@assembly.ca.gov}$ 

The Honorable Senator Bob Archuleta

The Honorable Assembly Member Lisa Calderon

Whittier City Council

Kristine Guerrero, League of California Cities (via email)

League of California Cities, cityletters@calcities.org