
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 694 (McKinnor) - Department of Industrial Relations: advisory committee: occupational safety and health

Version: June 11, 2025

Urgency: No

Hearing Date: July 14, 2025

Policy Vote: L., P.E. & R. 4 - 1, ED. 6 - 1

Mandate: No

Consultant: Robert Ingenito

Bill Summary: AB 694 would, upon an appropriation, (1) require the Department of Industrial Relations (DIR) to contract with specified academic institutions to conduct a study to evaluate the understaffing and vacancies within its Division of Occupational Safety and Health (Cal/OSHA), and (2) require the academic institutions to convene an advisory committee to advise on the study and provide findings and recommendations, as specified.

Fiscal Impact:

- This bill would result in a cost pressure to the Department of Industrial Relations. Specifically, DIR indicates that it would incur first-year administrative costs of \$1.14 million, and \$1.07 million annually thereafter, to implement the provisions of the bill (Occupational Safety and Health Fund).
- The University of California would incur a one-time General Fund cost of \$800,000 to conduct the bill's required study and convene the advisory group. Specifically, UC would need \$400,000 for the UCLA Labor Occupational Safety and Health Program (LOSH), and \$400,000 for the UC Berkeley Labor Occupational Health Program (LOHP). UC notes that the programs do not have existing resources to perform this work; consequently, UC would need an appropriation or reimbursement by DIR to execute the contract. UC's costs are not included in the DIR figures noted above. This bill's study provision is contingent upon an appropriation; however, the advisory committee provision is not, and thus would need to be convened even if no funds are appropriated.
- The California Department of Human Resources (CalHR) and the California Community Colleges (CCC) would incur minor and absorbable costs to participate on the advisory committee.

Background: Cal/OSHA is tasked with protecting and improving the health and safety of workers in California through, among other things, the setting and enforcement of standards, providing outreach, education and assistance to workers and employers, as well as issuing permits and approvals for various things. A key element of Cal/OSHA's responsibilities is the enforcement of health and safety standards which are investigated based on the following: (1) complaints filed by workers, reports of serious violations received from law enforcement, or reports of accidents resulting in a serious injury or illness or death, (2) targeted and programmed inspections in high hazard industries with high rates of preventable injuries and illnesses, (3) citations, special orders, and orders

to take special actions after an investigation of hazards in a workplace, and (4) orders prohibiting use where there is an imminent hazard.

Cal/OSHA continues to struggle with significant understaffing and high turnover, particularly in Cal/OSHA's enforcement division. The CSHO position, which conducts field investigations of worker complaints about health and safety violations, has one of the highest vacancy rates across Cal/OSHA. According to DIR data, as of August 2024, Cal/OSHA had 124 vacant CSHO positions, constituting a 46% vacancy rate. The vacancy rate is even higher in certain geographic areas. For example, the Santa Ana office had a 73% vacancy rate and the San Francisco office had a 66% vacancy rate. As a result, the ratio of active CSHOs to workers in California is 7.7 CSHOs per one million workers.

Cal/OSHA's staffing crisis has affected its ability to conduct inspections and effectively enforce the health and safety laws designed to protect workers. A 2022 annual evaluation of Cal/OSHA's programs, conducted by federal OSHA, found that the division is failing to proactively inspect workplaces and prevent work-related accidents. According to the evaluation, 'Cal/OSHA cannot conduct planned inspections of high hazard employers at the national average ' due to short staffing. Only 18.5 percent of Cal/OSHA's inspections are programmed compared to a national average of 40 percent. The lack of proactive inspections can contribute to dire outcomes for workers—from preventable injuries to death. In fact, over 500 workers in California were killed on the job in 2022. ”

Proposed Law: This bill would, among other things and upon an appropriation, do the following:

- Define, among others, the following terms:
 - “Academic institution” means a public college or university accredited by a commission recognized by the United States Department of Education.
 - “Compliance Safety and Health Officers” means personnel in the safety engineer and industrial hygienist classifications of the Division of Occupational Safety and Health.
 - “The University of California” means the University of California, Berkeley Labor Occupational Health Program and the University of California, Los Angeles Labor Occupational Safety and Health Program.
- Require DIR to contract with the University of California, Berkeley Labor Occupational Health Program and the University of California, Los Angeles Labor Occupational Safety and Health Program (UC), within 120 days of an appropriation by the Legislature, to conduct a study to evaluate the understaffing and vacancies within the division and make recommendations to DIR, CalHR, and the Legislature on policies the state shall use to establish career pathways to the CSHO classification.
- Authorize UC to subcontract, in whole or in part, the responsibility for conducting the study to another academic institution.

- Require the UC and its subcontractors, if any, to conduct the study and issue a report that includes, but is not limited to, all of the following:
 - Literature review related to Cal/OSHA's understaffing and vacancy problem, impacts of these problems at statewide, regional, or industry levels and models for workforce development programs that could increase the career pathways for CSHOs.
 - An analysis to identify primary causes of Cal/OSHA's CSHO vacancies.
 - Recommendations to address CSHO understaffing and vacancies, including recommended timeline and strategies to implement a workforce training program. In making these recommendations, the study and committee shall consider all of the following:
 - How to improve the effectiveness of hiring and retention and decrease the hiring time for the CSHO positions.
 - A summary of relevant Cal/OSHA CSHO position responsibilities, skills, and tasks, as specified.
 - An analysis of different workforce development and training models including third-party certification and apprenticeship.
 - Identification of current programs, institutions, or organizations in the field that could partner in a new workforce development training program, as specified.
 - An analysis of external workforce populations who may have matching skill sets and experience that would make them effective candidates for a CSHO workforce training program, including linguistic and cultural competencies that match the diverse California workforce, as specified.
 - Recommendations on CSHO qualities and skills that would encourage worker engagement with Cal/OSHA, as specified.
 - Identification of core curriculum components for the eventual development of a workforce training program for CSHOs.
- Require UC to convene an advisory committee to make recommendations regarding the scope of the study and provide the findings and recommendations described above to Cal/OSHA.
- Require the advisory committee to meet at least once while the study is being conducted, and at least two times to review findings and recommendations.
 - Require the committee to hold at least one public meeting while the study is being conducted and one additional public meeting to gather input on recommendations and findings.

- Require Cal/OSHA, CalHR, and the Division of Apprenticeship Standards to provide timely responses to requests for information from the committee.
- Provide that the advisory committee be composed with members meeting specified requirements.
- Prescribe entities responsible for appointing the members of the advisory committee, as specified, including requiring the UC to appoint specified members by selecting from individual who submits an application with, and developed by, the UC.
- Require the advisory committee to hold at least one meeting within 60 days of DIR entering into the contract with UC.
- Require, eighteen months after entering into the contract with the UC, the report to be completed and the DIR to post the completed report on Cal/OSHA's internet website and forward the completed report to the members of the advisory committee, the Governor, and the Chairs of the Assembly Committee on Labor and Employment and the Senate Committee on Labor, Public Employment and Retirement.
- Require UC and any of its subcontractors, in conducting the study, to consider and be guided by the recommendations of the advisory committee, if any, only so long as the recommendations would not substantially increase the cost of the study or cause the report to be issued after the required submission.

Staff Comments: As noted above, this bill would require DIR to contract with specified UC labor programs to conduct a study evaluating Cal/OSHA understaffing and vacancies and make recommendations to inform the consideration and establishment of CSHO career pathways. The latter requirement would result in a cost pressure to DIR and CalHR to establish career pathways to the CSHO classification, per the study's required recommendations. The magnitude of the cost pressure is unknown.

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