



STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL

1100 J Street, 4th Floor, Sacramento, CA 95814 • 916-327-5640 • www.etp.ca.gov



Paid Family Leave Small Business Grant Guidelines

BACKGROUND:

The PFL program allows California workers to take paid leave to bond with a new child or to care for a seriously ill family member. Beginning July 1, 2020, this leave has been expanded from six to eight weeks. The current proposed budget also expands the 12 week non-paid protected leave to all businesses, regardless of business size.

Businesses that are impacted by the PFL program will have increased costs such as: training and upskilling existing staff to cover the duties of the employee on PFL, hiring and training additional staff to cover the duties of the employee on PFL, and the marketing, recruitment, and training costs to cover these activities.

The Paid Family Leave Small Business Grant, as indicated by the Governor's Office, will take the form of grants to three (3) entities who will then distribute and administer the grant funding to small California businesses with less than 10 employees who have at least one employee utilizing the PFL Program. Each business may receive up to \$500 per employee utilizing PFL to help cover any of the costs of training other employees to take over the duties of those out on PFL.

ETP has the authority to enter into this process based on our governing statute, Unemployment Insurance Legislation codes 10200-10217:

- 10205(b)(4): which directs the Panel to develop strategies "...that may include ... pilot demonstration projects designed to identify potential barriers that small businesses may experience in accessing Panel programs and workforce training resources, including barriers that may exist within small businesses."
- 10215: which states that "...the funding of individual project grants by the Panel may take the form of... direct grants to the employer...".
- 10214.6: which states that the Panel may implement "...one or more alternative fund programs to reimburse the cost of training consistent with the purposes of this part, using funds from a source other than the employment training tax. The alternative funds may be from any federal, state, or local governmental entity, as appropriated in statute or other means..."



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GUIDELINES:

Projected Dates:

- Solicitation for Proposals (SFP) release: 9/1/2020 – 9/15/2020 (and each year thereafter)
- SFP Submission Deadline: 9/30/2020 – 10/15/2020 (and each year thereafter)
- Grant term: One year: 10/15/2020 or 11/1/2020 – 10/14/2021 or 10/31/2021 (and each year thereafter)
- Mid-year report on Yearly Grant Activities, including submission of data elements: 4/30/2021 (and each year thereafter)
- Final Report on Yearly Grant Activities, including submission of data elements: 11/30/2021 (and each year thereafter)

Funding:

- \$1M in General Fund dollars, beginning in FY 20-21 and each year thereafter.
- As an alternative source of funding, General Fund dollars will be given a unique funding code,

Number of Grantees: 3

Award Amounts:

- \$500 per individual utilizing the CA PFL Program.
- Any given Small Business may have more than one employee utilizing PFL at any given time, so award per small business may be in increments of \$500 up to \$4,500, with most award amounts averaging \$500 or \$1,000 per small business.
- Award amount: between \$250,000 and \$500,000, based on demonstrated demand and available funding.

Disbursement:

- Lump sum award granted to awardees at the beginning of their grant term, based on projected estimates of number of individuals utilizing PFL to be served, as contained within the grant application.
- Awardees will distribute funding to small businesses as they are signed up to participate in the grant, once the number of employees utilizing PFL has been established.
- Awardees will track number of small businesses and individuals utilizing PFL over the course of the grant (see Data Collection Requirements below)

Eligibility:

Grant Awardees: The ETP PFL Grant will be open to Multiple Employer Contractors (MECs) who can demonstrate a strong pre-existing relationship with CA small businesses. For example, Chambers of



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Commerce, Community Colleges, and Professional/Trade Organizations. Standard ETP eligibility criteria will apply.

Participating Employers: CA small businesses with less than 10 employees who have at least one employee utilizing the CA PFL Program. Businesses must be registered to do business in the State of CA with the CA Secretary of State's Office, and pay their employees via W-2, rather than as independent contractors via 1099's.

Data Collection Requirements:

Information required from Grant Awardees:

- Awardee contact name, email, and phone
- Awardee's Legal Name
- Awardee's main location address
- Number of small businesses served
- Number of individuals utilizing PFL per small business served
- Funding amount distributed to each small business over the course of the grant

Information Required from Participating Employers:

- Company's California Employer Account Number (CEAN)
- Company's Legal Name
- Company's main location address
- Company's North American Industry Classification System (NAICS) code
- Company contact name, email, and phone number
- Name of individual(s) utilizing PFL
- Sex of individual(s) utilizing PFL
- Nature of PFL: either for bonding or to care for a sick family member

Administration Costs:

- Capped at 13% for each grant awardee.
- ETP will not take an administrative fee.

Support Costs:

- Capped at 12% per grant awardee.
- Support costs are used to aid the MEC grant awardee in marketing and advertising to small businesses for participating in the grant.

Training Curriculum:



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- Small businesses may train in any subject and with any training delivery method that will serve their needs. Small businesses do not need to report on training subjects, delivery methods, or dates of training.

Mid-Term Report Requirements:

Summary of grant activities to date, including:

- Number of Small Businesses Served
- Data elements listed in Data Collection Requirements area above
- Financial reporting of total award dollars disbursed to date, in aggregate and per small business/employee utilizing PFL
- Narrative summarizing grant activities to date

Final Term Report Requirements:

Summary of all grant activities, including:

- All data elements from Data Collection Requirements area above
- Final financial reporting, listing funding dispersed to each small business/# of businesses served/# of employees utilizing PFL, and in aggregate, totals of admin and support costs used
- Expanded narrative summarizing grant activities

ETP Panel Presentation:

Awardees will need to be available to come to a fall, 2021, and each year thereafter, Panel Meeting where they will present their grant activities and successes to the Panel at the Panel's regularly scheduled meetings. Presentations will be short (5-10 minutes). If needed, ETP will limit the number of awardees that present at Panel to meet time constraints.

SFP Packet Contents:

The SFP Packet will contain the following, at minimum:

- Description of grant purpose
- Dates associated with the grant (ie: application acceptance, Panel presentation dates, etc)
- Outline of requirements for award amounts and disbursement, eligibility, data collection requirements, administrative and support costs, curriculum, mid and final grant reports, and Panel presentations
- Templates for the grant application, mid and final term grant reports, data collection sheets, participating employer sign-up form examples, and financial accounting template example
- Contact information at ETP for questions and customer service