



Employment Training Panel

Memorandum

To: ETP Policy Committee
Gretchen Newsom, Chairperson
Janice Roberts, Member
Rick Smiles: Member

Date: June 10, 2021

CC: Executive Staff
Reg Javier, Executive Director
Peter Cooper, Assistant Director

From: Lis Testa, Policy Manager

Subject: ETP Policy Committee Meeting Agenda Item 3.a.
Report to Policy Committee Re: Update on PFL SB and SEED Grants

I. Social Entrepreneurs for Economic Development (SEED) Grant:

The purpose of the SEED Initiative is to support the entrepreneurship of immigrants and limited English proficient (LEP) individuals who face significant employment barriers, which will also increase the state's economic diversity and help spur business innovation.

The SEED Grant will provide \$9.65 M for non-profit community-based organizations (CBOs) to implement either one or both of the following:

SEED Entrepreneurship Program: This portion of the grant, for which \$8.65 M is allocated, will consist of entrepreneurial training development and implementation, community outreach, selection of micro-grant awardees, disbursement of micro-grants to awardees to aid them in starting or maintaining a California small business that meets a social problem or community need, and providing technical assistance to the micro-grant awardees. We selected eight (8) awardees for the entrepreneurship program.

SEED Demonstration Project: Worker Cooperatives and Employee Ownership: This portion of the grant, for which \$1 M is allocated, will consist of entrepreneurial training, formation of worker cooperatives, and the disbursement of micro-grants to support the formation of these worker cooperatives/employee owned businesses. We selected one awardee for the demonstration project.

All nine (9) grant agreements have been fully executed, and their grant terms began on 6/1/2021.

We also held the first meeting of the Community of Learning and Practice, which was one of the legislated requirements for this grant, on Monday, 5/17/2021. The Community is designed to help the awardees network together, to assist each other, and to share best practices and challenges.

We are excited to see how the work of this grant progresses over the course of the next 13 months!

II. Paid Family Leave Small Business (PFL SB) Grant:

The FY 20/21 PFL SB Grant is up and running. Both awardee contracts have been fully executed.

Originally, this grant was set to be an ongoing program, with \$1M coming to ETP from the General Fund each year. The line item for the PFL SB Grant is in the May Revise for the FY 21/22 budget, so we are expecting the program to continue next FY, barring any amendments to the budget from the Legislature as they work towards approving the full budget this month.

III. Conclusion:

There is no action necessary by Committee for this item. However, if there are any questions, we welcome them at this time.