



Paid Family Leave Small Business (PFL SB) Grant Pilot

These are guidelines only. If a proposal raises the need for further modifications, that will be accomplished on a case-by-case basis with direction from Executive Staff. **Unless modified by these guidelines, all other program criteria apply.**

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 CA businesses with 100 or less employees who have at least one employee utilizing the PFL program. Each business may receive up to \$1,000 per employee utilizing PFL if they have between 51-100 employees or \$2,000 per employee utilizing PFL if they have 50 or less employees to help cover any of the costs of training other employees to take over the duties of those out on PFL.

Details

The Solicitation for Proposals (SFP) will be released each year.

Three MECs will be chosen as grant awardees. Standard eligibility requirements apply.

Total yearly grant funding = \$1M.

Standard MEC grant awards = \$250K - \$500K

Participating small businesses must have 100 or less employees, with at least one employee utilizing the PFL program. Participating small businesses must also be registered to do business in California with the Secretary of State's Office, and pay their employees with W2s, rather than as independent contractors with 1099s, and must not be using a PEO for payroll services.

Administrative fees capped at 13%.

No more than 12% support costs granted.

Curriculum does not need to be reported.

MEC awardees will need to complete a mid-term and final grant report, collect and maintain data on participating small businesses and PFL participants, and must be available to present at a regularly scheduled Panel meeting in the fall following their grant term.

Additional details and requirements, including all application forms, will be included in the Solicitation for Proposals each year.

For further information regarding this Pilot program, please contact [ETP's Economic Development Unit](#), or call 916-327-5258.