



Employment Training Panel

Guidelines for: Expansion Funds

Effective: 10/1/2021

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 Core Program (Program) criteria apply.**

BACKGROUND

Governor Newsom's 21/22 budget, approved in SB129, allocated \$50 million in general fund dollars to ETP to expand its program in high-demand sectors. These allocations shall be known as "Expansion Funds" within ETP's programs. This funding is available for encumbrance or expenditure until June 30, 2024.

Funding appropriated from the general fund to ETP for the purpose of workforce training, which is funding from a source other than the Employment Training Fund, is defined as an "Alternative Funding Source" subject to Unemployment Insurance Code section 10214.6 that mandates guidelines such as these for the purpose of supporting and implementing an Alternative Funding Source program.

OVERVIEW

As a part of the annual report, ETP is required to provide interim reports to the Legislature by November 30, 2022 and final reporting on November 30, 2024. The reporting will include information on the use and outcomes of the funds and will be submitted to the Joint Legislative Budget Committee. ETP is required to report the following:

- The number of applicants
- Number of eligible applicants
- Number of awardees
- Types of industry sectors that received an award
- Average award amount
- Geographic distribution of awardees
- Number of workers served
- Re-employment information
- Information on participation of high road employers
- Information on participant wage gain
- Description of the use of funds
- Changes in participant employment status as a result of the program

GUIDELINES

These funds will be distributed in conjunction with ETP's Core Program and will follow the same program standards with the exceptions listed below.

Approved Amount

- Contract amount may be amended up to the program project cap.

Contractor Eligibility

- Contractors may apply both a standard Core Program funded project and an Expansion Funds project in the same fiscal year. The prohibition on concurrent enrollment remains in place.
- Public entities, and nonprofit organizations that have elected an alternate method of financing its liability for unemployment insurance compensation, are eligible for Expansion Funds training contracts. Eligibility for Expansion Training funds is not contingent upon an applicant's payment of the Employment Training Tax, which is deposited into the Employment Training Fund.
- All other ETP eligibility requirements apply.

Trainee Eligibility

- Retrainee Job Creation trainees can include backfilled positions and are not required to be "net" new hires.
- Standard Incidental Placement rules do not apply for MECs.

Wage

- SET wages do not apply.

Reporting

- Contractors will be required to report the start of training wages at enrollment for all trainees.
- In the instance where ETP cannot verify trainee's wages, ETP may request payroll information.

Recordkeeping

- All training hours must be reported in ETP systems within 90 days of the delivery of training.

Miscellaneous

- If not otherwise specified in these guidelines, regular ETP program standards apply.