



**STATE OF CALIFORNIA  
EMPLOYMENT TRAINING PANEL**

**Friday, April 25, 2025**

**Panel Members**

Rebecca Bettencourt  
Chair

Dee Dee Myers  
*Ex-Officio* Member

Rick Smiles  
Member

Gretchen Newsom  
Member

Doug Tracy  
Member

Michael Hill  
Member

Jennifer Fothergill  
Member

Mike Greenlee  
Member

**Executive Staff**

Jessica Grimes  
Executive Director

Peter Cooper  
Assistant Director/Senior Advisor

Kumani Armstrong  
Assistant Director/Chief Counsel

Tara Armstrong  
Deputy Director of Technical Branch

Laura Campbell  
Chief of Program Operations

**STATE OF CALIFORNIA  
EMPLOYMENT TRAINING PANEL  
East End Complex Auditorium  
1500 Capitol Avenue  
Sacramento, California 95814  
Friday, April 25, 2025**

**I. PUBLIC PANEL MEETING CALL TO ORDER**

Acting Chair Smiles called the meeting to order at 9:30 a.m.

**II. ROLL CALL**

Present

Rebecca Bettencourt  
Rick Smiles  
Gretchen Newsom  
Douglas Tracy  
Michael Hill  
Jennifer Fothergill  
Mike Greenlee  
Derek Kirk

Executive Staff

Jessica Grimes, Executive Director  
Kumani Armstrong, Assistant Director/Chief Counsel  
Peter Cooper, Assistant Director  
Tara Armstrong, Deputy Director of Technical Branch

**III. AGENDA**

The April Agenda was reviewed.

ACTION: Member Fothergill moved and Member Smiles seconded approval of the April Agenda.  
All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

#### **IV. MINUTES**

The February 2025 Panel Meeting Minutes included in the Panel Packet were reviewed.

**ACTION:** Member Newsom moved and Member Smiles seconded approval of the February 2025 Panel Meeting Minutes. Panel Members present voted in the affirmative for approval of the Minutes as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

#### **V. REPORT FROM THE EXECUTIVE DIRECTOR**

Welcome Derek Kirk Go-Biz designee. Derek serves as the Senior Advisor for Economic Development. Among the many exciting projects Derek oversees is the California Jobs First Initiative. ETP has been tracking its investments across the 13 regions and is looking forward to more opportunities to support this statewide effort.

There are two proposal formats in today's Panel. The applications received before January 1, 2025, follow the former proposal template and those received on or after January 1, 2025, are in compliance with SB-1321, which became effective January 1, 2025.

Seventy six percent of today's proposals are from repeat contractors. In addition, 59% are in the priority industry sector of manufacturing, and 47% are from small businesses, while 29% are from High Unemployment Areas.

#### **VI. UPDATE OF CAL-E-FORCE**

We have implemented SB-1321, which included changes to our application for the self-attestations and questions to collect priority information, fringe benefits and wage progression. This bill also includes a posting and list of applications that are submitted to ETP that is refreshed every sixty days. A new feature was also implemented to assist in managing trainee changes. So our contractors are now allowed to mass drop trainees to change job numbers and locations for a group of trainees in the system rather than one at a time. Reference guides and videos are available on our website and you are welcome to contact our command center for assistance.

#### **VII. LEGISLATIVE AND LEGAL UPDATE**

We are now in the 2025-2026 legislative session and bills are working their way through committees at this time, with June 6, 2025, being the last day for each house to pass bills introduced in that house.

Regarding the Legislative Memorandum there are two bills of particular interest.

The first one is AB-765, which starts at the bottom of page one, which would prohibit monies in the Employment Training Fund from being diverted, transferred, or otherwise used to pay interest charged on federal loans to the unemployment fund without the approval of the legislature by statute and a public report justifying the necessity for the diversion transfer use. We talked about this bill at our last public meeting. Phil Herrera shared some comments about it. ETP remains agnostic in regards to this bill. At this time, it has been re-referred back to the Committee on Insurance. We will continue to track it.

The second bill of particular interest is AB-1186, which starts at the bottom of page 2. AB-1186 would do two things. One, it would potentially expand the requirements regarding categories of demographic information that we receive. And two, it would establish a chief statistician of California who would be required to standardize the collection of demographic data across state agencies. We can see how this bill may potentially impact ETO and how we are receiving and handling demographic information. Your legal unit is tracking that bill, and we shared this information with the tech folks. We are following it as it goes through the process and through the development. It is set for hearing on April 30, 2025.

## **VIII. REPORT OF THE CHIEF DEPUTY DIRECTOR**

### **Regarding Funding:**

Today's Panel meeting is for approximately \$3 million. It includes six Delegation Orders for a total of \$332,920. Delegation Orders are proposals capped at \$75K and approved under the delegated authority of the Executive Director on a continuous flow basis. For this state fiscal year, ETP has approved a total of 29 delegation orders. We have four projects on the consent calendar for approximately \$674,430. If all proposals scheduled for this Panel Meeting are funded today, the Panel will be approving 15 projects.

### **Regarding Demand and Allocations:**

There are 222 applications currently in demand, and 115 applications are with the Regional Offices in development, 27 applications are under review with the Applications and Assessment Unit, and 80 submitted applications are pending review. The estimated value of the 222 applications is \$110.3 million (\$34.2million in demand for single employer contracts, \$13.7 in demand for small business \$62 million in demand for multiple employer contracts, \$446,655 million for apprenticeships and \$52,416 in demand for critical proposals. We are currently within our total allocations for this fiscal year 2024-25.

Tab 1 (CP Manufacturing, Inc.) has withdrawn. Two proposals have been removed from the consent calendar: Tab 4 (Structure Therapeutics), and Tab 5 (The Olive Oil Factory).

## **IX. CONSENT CALENDAR**

ACTION: Member Newsom moved and Member Smiles seconded approval of the Consent Calendar as amended. Panel Members present voted in the affirmative for approval of the Consent Calendar as moved.

Motion carried, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

## **X. POLICY COMMITTEE REPORT**

Member Newsom provided a Policy Committee Report. There was a discussion on the content of MEC proposals in order to gain further information into the ways different MED or multiple employer contractor models operate, especially as concerns have been raised related to their participating employers and how they develop curriculum. MEC's will be sent a survey within the next few weeks and all MEC's are encouraged to participate in the survey.

A discussion on ETP contract revisions, both on the quality and the type of revisions that are requested and on ways that we can modify our revisions process. More date on revision requests will be coming to Policy Committee especially regarding the different types of revision requests we receive and on the timing of those requests.

There was an action item to approve revisions to the Veterans Guidelines and these revision were approved by Committee and will be coming to Panel for full approval likely next month or at the next Panel meeting.

Similarly, there was an action item to approve revisions to what was called the EX Offender at Risk Youth guidelines and soon to be known as the Justice involved Opportunity Youth guidelines. These revisions were approved by Committee and will also be coming before Panel for full approval at a future Panel meeting.

## **XI. REVIEW AND ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR**

### **Tab No. 4: Structure Therapeutics USA Inc. dba Structure Therapeutics**

First time contractor. Funding requested \$189,000 to train 90 workers. Training will take place at their South San Francisco location.

Panel asked how they found out about the training vendor, Hands On. They seem to be coming up a lot lately.

Marianne Bartolo stated she had worked with them previously and they specialize in learning and organizational development, specifically in life sciences. They know their business model and the types of courses offered fit what they were looking for.

Panel asked how they were going to administer the contract since they are a first time contractor and training 90 employees.

Marianne Bartolo explained that she and two colleagues will be managing the administration.

Panel asked if the employees and workers will be in the same room with all the other employees and trainings from other contractors receiving this training from Hands On.

Marianne Bartolo explained that they worked with Hands On to make sure that their training plan is customized to their needs.

**ACTION:** Member Newsom moved and Member Hill seconded approval of the proposal submitted by Structure Therapeutics USA Inc. dba Structure Therapeutics in the amount of \$189,000. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

**Tab No. 5: The Olive Oil Factory, LLC**

Repeat contractor, with good prior performance, requesting \$110,880 in funding to serve 99 workers.

Panel commented that on their last contract the approved amount was 30,000 but the earning were only 81%. Now you are coming in for triple the amount, what are you doing to ensure that you have a higher payment earned percentage?

Kelly Miller explained that on their last contract they were still dealing with COVID and had an HR team on one person who went out on maternity leave. This time there are three individuals on our HR team and we are bringing in a training specialist in July.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by The Olive Oil Factory, Inc. in the amount of \$110,880. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

## **XII. ACTION ON PROPOSALS**

### **Single Employer Contracts**

#### **Tab No. 6: Cepheid**

Repeat contractor, with good prior performance. Funding requested \$598,080 to train 356 workers. Training will take place at their locations in Lodi, Sunnyvale, Newark, and Fremont.

Panel commented that the turnover rate is slightly higher and you are a larger company. Can you explain why the turnover rate is elevated?

Ester Rivera explained that they moved the manufacturing hub from the Bay area to Lodi which caused the majority of that. The Lodi building is under renovation and we will be expanding.

ACTION: Member Smiles moved and Member Kirk seconded approval of the proposal submitted by Cepheid in the amount of \$598,080. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

#### **Tab No. 7: Altos Labs, Inc.**

First time contractor. Funding requested \$472,500 to train 375 workers. Training will take place at their locations in Redwood City and San Diego.

Panel asked about wage progression for the workers that are receiving this training specific to the technical staff and the operation staff, the wage range right now is between \$30 an hour up to \$115 which is a significant range.

Connie White answered that they conduct a biannual compensation review at which time they look at benchmarks. We benchmark with companies that are both medium size as well as larger size and competitors with various market caps that are attuned to our industry. We also do specific talent assessments twice yearly.

Panel asked about Hands On and if they can elaborate on their specific relationship and how they are specializing training to their members rather than the other folks and what they are doing.

Connie White explained that she worked with Hands On previously and Hands On helped build out job architectures of major functions and did a successful job. They have built a team of facilitators that have good professional credibility. They have the soft skills which include presentation skills and emotional intelligence, including how to collaborate. They did a workshop with us last year, which was a trial to evaluate. The quality of the training and responsiveness scored a 92% satisfaction

ACTION: Member Smiles moved and Member Kirk seconded approval of the proposal submitted by Altos Labs, Inc. in the amount of \$472,500. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

**Tab No. 8: B-K Lighting, Inc.**

Repeat contractor, with good performance. Funding requested \$204,120 to train 90 workers Training will take place at their location in Madera.

Panel commented about the 13% turnover rate, which is about 11 employees. In your proposal you plan to hire around 11. Can you explain the turnover rate?

Jennifer Owens explained that they had offered a little mini sandwich shop on site for the manufacturing plant. Unfortunately, it did not go well and closed, resulting in laying off about 8%.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by B-K Lighting, Inc. in the amount of \$204,120. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

**Tab No. 9: Chrisp Company**

Withdrawn.

**Tab No. 10: MASS Precision, Inc.**

Repeat contractor, with good performance. Funding requested \$344,960 to train 224 workers. Training will take place at their three locations in San Jose and Fremont. Correction the turnover rate is actually 12% not 15%.

Panel requested an explanation regarding the turnover.

Al Slickly explained that they saw a drop off in business and they are starting to see retirements (they have a lot of long term employees). Also, a lot of people come in from Stockton and Salinas and the commute gets old.

ACTION: Member Smiles moved and Member Kirk seconded approval of the proposal submitted by MASS Precision, Inc. in the amount of \$344,960. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

## Multiple Employer Contracts

### Tab No. 13: Pasadena City College

Repeat contractor with good performance. Funding requested \$407,824 to train 218 workers. Training will take place at in the following counties, Fresno, Los Angeles, Monterey and San Bernardino.

Panel asked for elaboration as to why Pasadena City College is now training workers far away from Pasadena City College. What is the connection? What's going on there?

Gordon Kirkpatrick from International Optimum Solutions dba Kirkpatrick Enterprises International explained that they are the ones who are doing a lot of the training for the organization and they have a fairly widespread client base. The group in Monterey is another food company, Dole Foods. They have been working with the food industry for decades. In Monterey there isn't any funding sources. A lot of companies find it difficult to get their own ETP funds and to administer them. Mission Foods is the other one which is in Fresno and the Bay Area. Most of the efforts are going to be in the LA zone

Panel asked for elaboration on the training that is being provided through City College.

Sasha King explained that they have the Career Center, a small Business Development Center, the women's business center and a PCC Extension which offers training services and academic training.

Panel commented that the working of the contract is ½ is working the vendor and going out with existing clients and other working on that angle of training. And then Pasadena's focusing more locally but is opening the door with the vendor side of it to other companies that have connections to be able to use ETP funds for training. This is an interesting new model for us.

ACTION: Member Smiles moved and Member Greenlee seconded approval of the proposal submitted by Pasadena City College in the amount of \$407,824. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

### **XIII. PRESENTATIONS AND ACTION ITEMS**

#### **A. LA Wildfires**

A request was made on behalf of ETP, as mentioned in January staff were assessing the impact of the LA wildfires and after extensive assessment, staff are requesting up to two and a half million of our out of state competition to support those contractors that have been impacted by the LA wildfires.

**ACTION:** Member Kirk moved and Member Smiles seconded approval of the dedication of two and a half million dollars to LA wildfire recovery. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

#### **B. Status Update on the 2025-2026 Apprenticeship**

Willis Atkinson presented that we will follow the same apprenticeship application process as last year. The window will open on May 13, 2025, and will close on June 23, 2025. The projects should go to the September Panel as usual. After the September Panel, we will be convening with stakeholders to discuss changes going into the following fiscal year around the apprenticeship proposals and applications. Caps will be based on demand.

#### **C. Review of Funding Strategies**

Each year in mid to late spring, ETP reviews funding strategies for the coming state fiscal year, including project caps, reimbursement rates, allocations and moratoriums. This does not include information regarding the alternative fund that ETP may receive. Regarding allocations, staff is recommending the following allocations based on an estimated 102 million in contracting capacity for 2025-2026: Single employer 40%, small business 5%, critical proposals 5%, MEC 25% and apprenticeships 25%.

For the project caps, staff is recommending keeping our funding caps the same as 2024-2025, so that would be 600,000 single employer, 850,000 for critical proposals and 850,000 for MEC. Please note that apprenticeships in not on here this year because apprenticeships is to pay based on demand.

Reimbursement rates, staff is recommending keeping our reimbursement rates the same as last year \$11.00 for computer based training, \$22.00 apprenticeship, \$24.00 non-priority industry and \$28.00 for retraining.

Moratoriums, ETP staff is recommending a continuation of the moratorium on the following types of projects: Adult entertainment, car dealerships, commission on retail trades, gambling, mortgage banking, multi-level marketing partners and principals and professional firms. No changes from last year.

**ACTION:** Member Newsom moved and Member Smiles seconded approval what was presented as the reimbursement rates, the project caps, the allocations and the moratoriums. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

#### **D. ETP Priority Industry Review and Recommendations**

Each year the Panel establishes priorities for the fiscal year and identifies key industries that contribute to a healthy labor market. By reviewing employment projections, average weekly wages, and state economic factors, industries crucial in advancing California's workforce are identified and designated as priority industry. ETP decisions are based on legislation and California initiatives. With Panel approval priority industry may obtain benefits such as higher reimbursement rates or quality for lower wages under set projects on a case by case basis.

Recommendation is to keep ETP's current priority industries with the removal of 7 and adopt LMID's recommended addition of 56 more priority industries. Staff also recommends the approval of NAICS codes changes.

Panel asked if Professional, Scientific, and Technical Services is no longer aligned with the strategy of the state.

Staff stated that it could be that there is not much growth in this sector or maybe they job title to fluctuate more with AI services .Some of these are tied to a lot of consultants.

Panel was concerned regarding the removal of the word scientific that's an innovation driver for the whole state.

Director Grimes stated that her understanding is that what we see in the table outline is the moving of 4 codes but not necessarily the overall industry.

Panel remarked that it sits in a different category increasing on one side based on information services but under professional business we are removing an information service. Panel continued even though they don't anticipate this priority designation drastically moving markets. However those four NAICS codes are tied to companies like Alphabet and Snap and a few other

major tech companies in California. We should be cautious about not identifying those particular companies as priority for these type of funding, yes, there are downturn and in some ways we should be doing more proactive outreach to ensure that those companies understand the benefits and incentive that are available and the opportunities to continue to grow in California so they are not leaving. So while we understand the removal of the top 2, not sure the bottom one has support. There is an immense amount of nuance in the NAICS codes.

Panel wanted to make sure that the recommendation to remove the pipeline transportation and NAICS code is not related to the pipeline or transportation of hydrogen because the industry is starting to boom.

Staff stated that the hydrogen industry fell under a different NAICS code 486990.

Panel asked for more information regarding the recommendation to add under finance and insurance and, credit intermediation and related activities, what kinds of specific jobs.

Brandon Hooker responded that those jobs would be tied more to the financial planners. Some of the high end jobs that are done within the banking industry, not so much the bank teller side. Those that are tied to venture capital and do more of the advising directly for firms in terms of their overall financial structure.

Panel had some conversation regarding the repair and maintenance industry group that is still overly reliant on the compensation structure associated with piece pay rates as this does not align with the principles that we have of investing in High Road jobs that promote stable and sustainable wage. This is a hard one it's a mix of how they are employed and compensated. The broad stroke is very hard one when we look at the compensation structure. It's sort of important to the infrastructure, especially to our small businesses there are a lot who do bring these people in to do that. There was concern with removing it due to the worldwide shortage of equipment maintenance people and how hard they are to find. If they come to Panel there's always the conversation about piece rates.

**ACTION:** Member Hill moved and Member Smiles seconded approval of retaining the current ETP priority industries, and all but the Professional, Scientific, and Technology industry name NAICS code 5415 and related codes. All Panel Members present voted in the affirmative to approve the proposal as moved.

**Public Comment:** Michelle Rickner commented that she like the discussion. Last year one of the industries left out was hospitals. She would like to see it re-added.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

## **E. Amended guidelines for the Electric Vehicle Infrastructure Training Program or EVITP fund**

ETP partnered with the California Energy Commission to train and certify 3000 electricians in the EVITP program. Amendments have been made in response to feedback and are included in Panel packet.

ACTION: Member Smiles moved and Member Hill seconded approval the recommendations on the EVITP program. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye  
Rick Smiles –aye  
Gretchen Newsom –aye  
Doug Tracy –aye  
Mike Hill –aye  
Jennifer Fothergill –aye  
Mike Greenlee –aye  
Derek Kirk –aye

## **XIV. OPPORTUNITY FOR PANEL MEMBERS TO REQUEST AGENDA ITEMS FOR FUTURE PANEL MEETING**

No comments.

## **XV. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

Phillip Herrera commented there is positive news with the legislature and the Governor and GoBiz the budget allocations that the governor included in January we should see the 50 million back in the May revision. We remain hopeful. AB-765 did its job and it will be a two year bill.

Rocio Leon commented that she likes seeing phone numbers on emails from staff.

## **XVI . MEETING ADJOURNMENT**

Chair Bettencourt asked for motion to adjourn the panel meeting.

ACTION: Member Newsom moved and Member Smiles seconded motion to adjourn the Panel meeting. All Panel Members present voted in the affirmative to adjourn the Panel meeting as moved.

Motion carried by roll call vote, 8 to 0.

Rebecca Bettencourt –aye

Rick Smiles –aye

Gretchen Newsom –aye

Doug Tracy –aye

Mike Hill –aye

Jennifer Fothergill –aye

Mike Greenlee –aye

Derek Kirk –aye

Acting Chair Smiles Adjourned the meeting at 11:09 a.m.