

## NOTICE OF AVAILABILITY OF FUNDS

by the Employment Training Panel

***Paid Family Leave Small Business Grant  
(PFL SB Grant)***

**SOLICITATION FOR PROPOSALS (SFP)**



January 2026

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### **Proposal Package Instructions and Forms**

The following contains the Paid Family Leave Small Business Grant (PFL SB Grant) Solicitation for Proposals (SFP) required forms. Applicants should carefully read the SFP for the required elements to meet proposal application requirements.

- SFP Form SIG – Signature Page
- STD. 204 and 205 Forms

### **Additional Forms for use during grant period, provided here for reference**

- Mid-Term Grant Report Form
- Final Grant Evaluation Form
- Data Collection Form/Participating Employer Listing

## **Section 1 – Overview**

### **A. Purpose**

The Employment Training Panel (ETP) and Labor and Workforce Development Agency (LWDA), announce the availability of up to \$920,000 in California State General Fund dollars, for Multiple Employer organizations to outreach to California's small businesses impacted by the Paid Family Leave (PFL) program, to help offset the costs incurred when training employees to cover the duties of the individual utilizing PFL.

PFL is part of the California State Disability Insurance program providing benefits to eligible California workers who need time off work to care for a seriously ill or injured family member, to bond with a new child, or to participate in a qualifying military event. PFL pays up to eight weeks of benefits in a 12-month period. Although PFL does not provide job protection, there are various federal and state laws that provide protected leave for up to 12 weeks.

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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 PFL SB Grant will provide to California small businesses (within the grant) equal to or between 100–51 employees a payment of \$1,000 and a payment of \$2,000 to small businesses less than or equal to 50 for each employee who is utilizing the PFL program, to help offset the costs involved with training other employees to cover the duties of this individual on PFL leave.

## **B. Eligibility**

**Grant Awardees:** The PFL SB Grant will be open to Multiple Employer Contractors (MECs) who can demonstrate a strong pre-existing relationship with California small businesses. For example, Chambers of Commerce, Community Colleges, and Professional/Trade Organizations. Standard ETP MEC eligibility criteria will apply.

**Participating Employers:** California small businesses with less than or equal to 100 employees who have at least one employee utilizing the PFL program. Businesses must be registered to do business in the State of California and in active status with the California Secretary of State's Office. Businesses must also have an active California Employer Account Number (CEAN) under which their employees are listed for payroll.

**NOTE:** Small businesses utilizing a Professional Employer Organization (PEO) for payroll services under the PEO's CEAN are not eligible to participate.

**Applicant Requirements:** Only one application/proposal will be accepted from each MEC.

Strong business partnerships are an essential element of the goal of the PFL SB Grant, with the MEC grant awardees undertaking in extensive outreach to identify small businesses impacted by the PFL program.

Each applicant must identify their connections to small businesses in their service areas and describe their plans to outreach to these businesses to determine if the PFL program has impacted them, and to solicit their participation in the grant for them to obtain reimbursement.

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## **C. Data Collection and Reporting Requirements**

MEC awardees will provide the following information at minimum on a quarterly basis to ETP:

### **Information required from MEC Grant Awardees:**

- Awardee contact name, email, and phone number
- 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 Small Businesses:**

- 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's name, email, and phone number
- Name of individual(s) utilizing PFL
- Sex (Male, Female, Non-Binary) of individual(s) utilizing PFL
- Nature of PFL: for bonding, to care for a sick family member, or military deployment
- Intended use of funds: either to upskill existing or hire new employee
- EDD Customer Account Number of Employee Utilizing PFL
- Size of business (total # of employees)

### **Reporting Requirements:**

- Grant awardees must complete the **Data Collection Form/Participating Employer Listing Form**. This form will collect information on each of the small businesses participating in your grant project.
- During the grant period, awardees will need to provide a **Mid-Term Grant Report**, which will include summary information on grant activities to date. Mid-Term Grant Reports will cover the first half of the grant's term (6/2026 – 6/2027) and are due no later than **June 30, 2027**.
- At the conclusion of the grant period, awardees will need to complete the **Final Grant Evaluation Form**, which will provide a summary of outcomes, grant activities, small business and PFL participant demographics. The **Final Grant Evaluation Form** is due no later than 30 days post conclusion of grant activities, and no later than **June 30, 2028**.

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## **D. Funding Availability**

Through this SFP, \$920,000 is available for FY 25/26 (PFL 4).

### **Award Amounts:**

- Total MEC award amount: usually between \$250,000 and \$500,000, based on demonstrated demand and available funding.
- Average amount per individual utilizing the PFL program: \$1,000 or \$2,000 per individual.

**Note:** Any small business may have more than one employee utilizing PFL at any given time, so each micro-grant award per small business may be in increments of \$1,000 or \$2,000, with most micro-grant award amounts averaging \$2,000 or \$4,000 per small business.

### **Disbursement:**

- 25% of the total award granted to MEC awardees will be disbursed after submission of their **Outreach Plan**. This disbursement will constitute 13% in Administrative Fees and 12% in Support Costs based on projected estimates of number of individuals utilizing PFL to be served, as contained within the grant application.
- Once the MEC awardee has “enrolled” 25% of their total expected PFL participant population, the second 25% of the grant funds will be disbursed.
- Once the MEC awardee has “enrolled” 50% of their total expected PFL participant population, the third 25% of the grant funds will be disbursed.
- Once the MEC awardee has “enrolled” 75% of their total expected PFL participant population, the last 25% of the grant funds will be disbursed.

MEC 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.

### **Recuperation of Funds:**

- Any grant funds not expended during the grant agreement period shall be returned to the state. Please note that Administrative Fees and Support Costs will also be recaptured based upon expenditure rates.

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- Demand for funds will be assessed as follows:
  - o At the end of the first third of the grant's term (eight months into the grant's term), a performance assessment will measure the percentage of expected PFL participants that have been served under the grant.
    - If this assessment shows less than 25% of expected PFL participants have been 'enrolled,' the remaining funds originally allocated to the awardee will be 'right-sized' to an amount that equals the same performance percentage reached in the first eight months of the grant, extrapolated over the remainder of the contract term.
    - New performance benchmarks (set in 25% portions of remaining total expected trainees) will be set, which then must be met to request additional fund disbursements (also in 25% portions of remaining allocated funds), to continue following the fund disbursement schedule as outlined above.
  - o At the end of the grant term, any unused previously disbursed funds will be returned to ETP (both main grant funds and funds dedicated to Administrative Fees and Support Costs) in the amount proportionate to the expected number of PFL participants that remain un-enrolled.
  - o Returned and unused funds may be re-allocated to additional MEC awardees, as determined by ETP.

**Note:** If for any reason the funds either do not become available or are reduced due to budgeting/fiscal/administrative reasons, the state shall have no liability to pay any funds or to furnish any other considerations under this SFP, and no awardee will be obligated to fulfil any provisions of this SFP.

## E. Allowable Uses of Funds

MEC grant awardees may take a maximum of 13% of their award amount for Administrative Fees to cover the costs involved in administering the grant. An additional 12% in Support Costs are included for this grant. Examples of allowable Administrative Fees and Support Costs include staffing, materials, advertising, marketing, and outreach to other workforce partners.

All other grant funds must be distributed to the eligible participating small businesses, in the amount of \$1,000 or \$2,000 per employee utilizing the PFL program.

## F. Length of Project

The performance period for projects awarded under this SFP will be up to 24 months with a contract term extension option, if ETP deems necessary. No obligation or commitment to funds will be allowed prior to or beyond the grant period of performance.

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It is expected that the first one to two months of the project will be used for grant organization and start-up, including the identification of small businesses impacted by the PFL program to participate in the project.

## **Section 2 – Significant Dates**

<b>Event</b>	<b>Date *</b>
SFP release	January 26, 2026
<b>Proposals due</b>	<b>February 13, 2026 by 5:00 P.M. PT</b>
Award announcements*	March 2026
Estimated project-start date*	June 2026

**\*Note** – All dates after the final proposal submission deadline are approximate and may be adjusted as conditions dictate, without addendum to this SFP.

*The anticipated grant term is June 30, 2026 through June 29, 2028.*

## **Section 3 – Questions and Answers**

Questions regarding completion of this SFP should be directed to <https://etp.ca.gov/grants/>.

## **Section 4 – Proposal Submission Instructions**

**Proposal Deadline:** The deadline for the submission of proposals is **Friday, February 13, 2026, by 5:00 P.M. PT** – late proposals will not be accepted. Exceptions will not be allowed and there is no appeal for not meeting the proposal deadline.

All proposals, must be submitted through ETP's Grants Management System (Cal-E-Grants <https://caetp.force.com/calegiants/s/>) by the applicant on or before this deadline.

**Note:** There is a 3,000 character limit for each narrative question. The system will not allow more than 3,000 characters per narrative question. Each question must be answered within the appropriate text box per narrative question. Uploads with additional narrative information will not be accepted.

Documents required in the proposal submission are listed in Section 5-B Required Forms.

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## **Section 5 – Required Proposal Content**

All proposals must include all of the requested information, completed forms, and attachments. The proposal must meet the minimum requirements listed below. **Proposals that do not adhere to the minimum requirements will not be scored or considered for funding.**

### **A. Minimum Requirements**

1. Applicants must demonstrate their existing connections to small businesses within their service areas. Applicants must also describe how they will outreach to and obtain participation from small businesses that are eligible to participate in the grant.
2. Applicants must complete the **STD.204, STD. 205, and Signature Page (SFP Form SIG)**.
3. Applicants can submit a proposal for up to \$500,000 with award amounts between \$250,000 and \$500,000. Up to four grants may be awarded. Final awards may be adjusted depending on demand from applicants. Please consider the following when determining the amount requested:

<b>Amount Requested</b>	<b>Estimated Number of Small Businesses / Individuals (Employee- EE) Utilizing PFL (if all small businesses only use \$1,000 per EE)</b>
\$500,000	93–375/375
\$250,000	46–187/187

### **B. Required Forms**

**Applicants must use the specific instructions and complete all requested forms included in the SFP announcement.** If you have any questions regarding the proposal package, please email <https://etp.ca.gov/grants/>.

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The following table lists the **required forms** that must be completed and uploaded into the Cal-E-Grants system. This may also be used as a checklist to help ensure submission of a complete grant package.

REQUIRED FORM AND DESCRIPTION
<b>1. Signature Page (SFP Form SIG)</b>
<b>2. STD. 204 Form</b> **Department of Finance standardized form**
<b>3. STD. 205 Form</b> **Department of Finance standardized form**

## **Section 6 – Award and Contracting Process**

### **A. Proposal Evaluation and Recommendation for Funding**

Proposals will be scored and ranked by teams of independent reviewers based on the criteria set forth in this SFP. The scoring value of each section is listed below. There are a total of six (6) Sections that must be addressed by the applicant to submit a complete application for this grant.

Criterion	Maximum Points
<b>Section I – Statement of Need:</b> Describe the need your organization has for the intended population of small businesses, and how these SFP funds will aid in serving this population.	5
<b>Section II – Targeted Group:</b> Describe how many small businesses and individuals your organization plans to serve under this grant. Provide demographic information as possible. Please also include here the geographical service area you plan to work in. Larger geographical areas are desired. Other items to include here are general industries of targeted small businesses, amount of urban/rural participants expected, if small businesses will come from high unemployment areas or not, veteran/minority/women-owned business status if available, etc.	5
<b>Section III – Project Work Plan / Proposed Strategic Approach:</b> Describe how your organization will implement the SFP grant funds. Include information on your organization's existing connections to small businesses in your service area, outreach to small businesses, and your organization's strategy for identifying and soliciting participation from small businesses impacted by the PFL program that will participate in this grant.	30

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<b>Section IV – Organizational Background / Partnerships:</b> Provide a description of your organization's history, vision, and mission, and examples of some of the typical work your organization is involved in. You may also include a description of any partnerships or networks that your organization participates in.	20
<b>Section V – Outputs and Outcomes:</b> Please indicate expected outputs and outcomes for the grant period, including number of small businesses served and number of individuals served. Please also describe any small businesses that you have already identified as possible participants in your grant project, and how these funds can help them.	30
<b>Section VI – Budget Summary Narrative and Plan:</b> Grant amounts are calculated on a cost per individual served at \$1,000 or \$2,000/individual, with small businesses with equal to or between 100-51 employees receiving \$1,000 and with small businesses with 50 or less receiving \$2,000 increments. Additionally, 13% of your total grant's award may be designated towards administrative fees and 12% may be used for support costs. Please provide a budget summary for your grant request including planned amount of administrative/support costs, planned number of small businesses to be served, and planned number of individuals to be served, along with a cost breakdown for each of these line items within your total requested grant award amount.	10
<b>Total Maximum</b>	<b>100</b>

The ranked scores will serve as the primary basis for making recommendations for funding in conjunction with other factors, such as geographic distribution of funds, uniqueness, and innovative aspects of the proposal. Only those proposals deemed to be meritorious and in the best interests of the state will be recommended for funding. As grant activities progress and fund expenditures are assessed, if the need for a reallocation of funds arises, additional awards will be granted, also based on the initial application scoring results.

## **B. Notification of Recommendation for Funding**

The state expects award decisions to be announced in March 2026.

*(This date is approximate and may be adjusted as conditions dictate, without an addendum to this SFP)*

## **C. Appeal Process**

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A proposal may be disqualified for not meeting the application requirements of this SFP. An appeal of the disqualification decision may be filed.

There is no appeal process for not meeting the proposal submission deadline.

Final funding decisions cannot be appealed.

The application requirements, which are listed in Section 5.A and 5.B of this SFP, are those conditions that must be met in order for the proposal to be forwarded for evaluation and scoring. Proposals that do not meet the minimum requirements will be disqualified.

Appeals must be received at the ETP office by **Friday, April 3, 2026, no later than 3 P.M. PT**. The date or time on a postmark or other courier's documentation is irrelevant to satisfying the appeal deadline.

The appellant must submit the facts in writing. The review will be limited to the information provided in writing. To be considered for review, the appeal must contain the following information:

- Appealing organization's full name, address, contact name and title, contact's email address, and telephone number.
- A brief statement of the reasons for appeal, including citations to the SFP and pertinent documents.
- A statement of the relief sought.
- Original signature of the authorized signatory authority of the organization.

The appellant must provide a copy of the appeal email/letter and the supporting documents to ETP. **Appeals received after 3:00 P.M. PT on Friday, April 3, 2026, will not be considered.** ETP will respond in writing to appeals by Friday, May 15, 2026. The review and response will be limited to determining whether the proposal met the application requirements of the SFP. ETP will accept appeals by email, mail, courier, or in person at:

ATTN: PFL SFP APPEALS  
Michael A. Cable, MIC 64  
Employment Training Panel  
1100 J St, 4<sup>th</sup> Floor  
Sacramento, CA 95814  
[michael.cable@etp.ca.gov](mailto:michael.cable@etp.ca.gov)

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**D. Contracting**

ETP will contact the awardees to finalize agreement/contract details. In some cases, ETP may request that the agreements/contracts incorporate changes to the original project proposals. After the agreement/contract negotiations, if any, ETP will mail (or email for signature using DocuSign) the agreement/contract to the awardees for signature.

**Section 7 – Administrative Requirements**

**A. Monitoring and Audits**

Awardees may be audited by the state, in accordance with existing policies, procedures, and requirements governing the use of State General Funds. Awardees are expected to be responsive to all such requests, provide reasonable and timely access to records and staff, facilitate access to subcontractors, and communicate with reviewers in a timely and accurate manner. Additionally, ETP has the right, during normal business hours, to examine or audit any and all records, papers, and documents related to the delivery of services, including accounting source documents, under the PFL SB Grant.

**B. Record Keeping**

Awardees will be required to maintain project and fiscal records sufficient to allow federal, state, and local reviewers to evaluate the project effectiveness and proper use of funds. The record-keeping system must include both original and summary (e.g. - computer generated) data sources. Awardees will retain all records pertinent to this contract for a period of three years from the date of final payment of this contract.

**C. Compliance**

All funds are subject to their related State statutory and regulatory requirements. Any payment under the PFL SB Grant is valid and enforceable only if sufficient funds are appropriated in the State Budget Act for the relevant Fiscal Year. Any payment under the PFL SB Grant is subject to any additional restrictions, limitations, or conditions imposed by the Legislature. If sufficient funds are not appropriated or otherwise made available for disbursement from ETP, then ETP's liability for payment shall be limited to only those funds appropriated and made available for payment.