



SMALL BUSINESS ROUNDTABLE

OCTOBER 15, 2020 CONVENING

Hosted by the Assembly
Committee on Jobs, Economic
Development, and the Economy
Assemblymember Sabrina
Cervantes, Chair

AGENDA

- I. Welcome and Overview
- II. Economic Recovery Programs and Initiatives
- III. 2020 and 2021 Legislation
- IV. Collecting Discussion Topics for Next Meeting
- V. Final Comments and Adjournment



WELCOME AND OVERVIEW

Agenda Item I

DATA POINTS

FEDERAL Unemployment – 7.9%

(September 2020)

- ❖ US nonfarm payroll employment increased by 661,000 in September 2020, and the unemployment rate fell to 7.9%.
- ❖ The comparable August 2020 unemployment rate for the US was 8.4%. State unemployment rates are released in the middle of the following month.
- ❖ 13.6 million unemployed people in the US, up 6.8 million from September 2019.
- ❖ Unemployment rates declined in September for adult men (7.4%), adult women (7.7%), Whites (7.0%), and Asians (8.9%). Jobless rates for teenagers (15.9%), Blacks (12.1%), and Hispanics (10.3%) remained substantially unchanged.

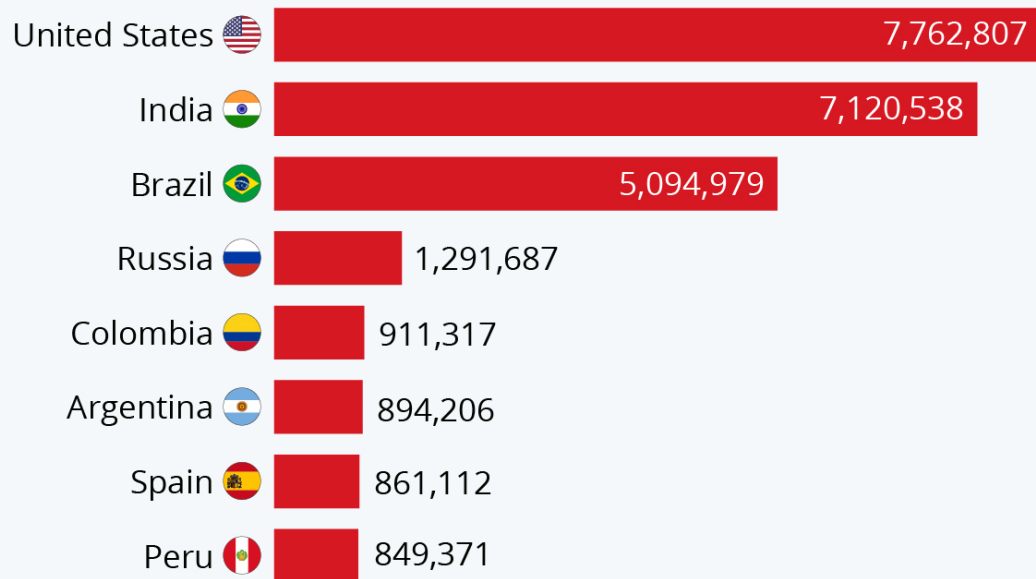
CALIFORNIA Unemployment – 11.4%

(August 2020)

- ❖ Total nonfarm employment in California for August 2020 was 15.8 million, reflecting an increase of 101,000 jobs from the prior month.
- ❖ California has gained back 1/3 of the 2.6 million jobs lost in March and April 2020.
- ❖ California reported over 2.1 million unemployed individuals for the month of August 2020.
- ❖ 19,517 UI and Pandemic Unemployment Assistance (PUA) claims were filed for the week ending October 3.
- ❖ 9.9 million UI and PAU claims were filed between March 14 and week of October 3, 2020.
- ❖ \$98 billion paid to out of work Californians since start of pandemic.

The Countries With The Most COVID-19 Cases

Total number of confirmed COVID-19 cases by country*



* As of October 12, 2020 at 03:30 EDT

Source: Johns Hopkins University

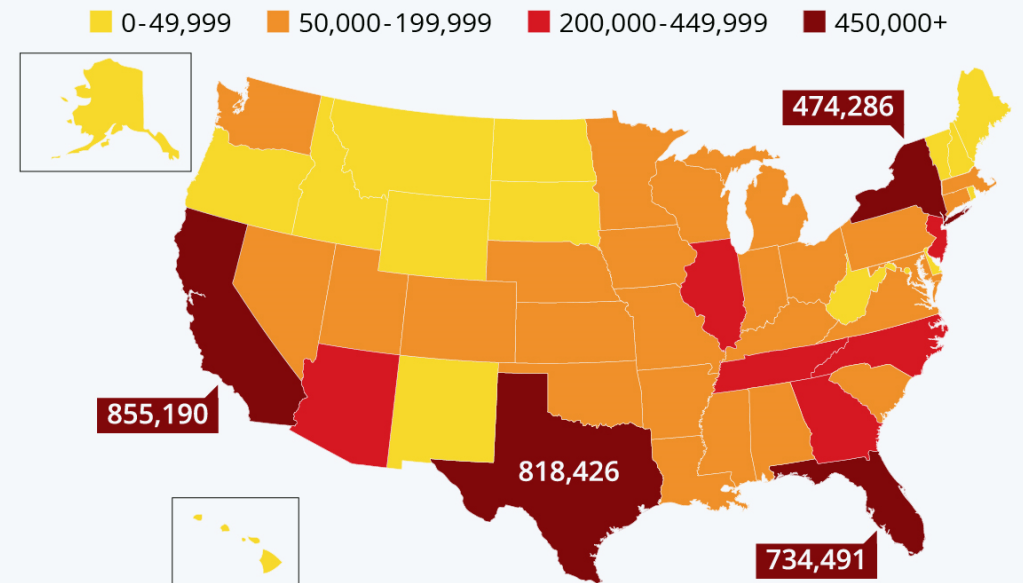


statista

<https://www.statista.com/chart/21467/countries-most-covid-19-cases/>

Confirmed COVID-19 Cases in the U.S.

Number of confirmed COVID-19 cases, by U.S. state*



* as of October 12 at 1:30 AM EDT

Source: Johns Hopkins University



statista

<https://www.statista.com/chart/20978/coronavirus-cases-us-map/>

THE IMPACT OF COVID-19 ON SMALL BUSINESSES

The Stanford Institute for Economic Policy Research published a working paper by Robert Fairlie in May 2020, *The Impact of Covid-19 on Small Business Owners: Evidence of Early-Stage Losses from the April 2020 Current Population Survey*.

<https://siepr.stanford.edu/research/publications/impact-covid-19-small-business-owners-evidence-early-stage-losses-april-2020>

“The number of active business owners in the United States plummeted by 3.3 million or 22% over the crucial two-month window from February to April 2020. The drop in business owners was the largest on record, and losses were felt across nearly all industries and even for incorporated businesses.

African-American businesses were hit especially hard experiencing a 41% drop. Latinx business owners fell by 32%, and Asian business owners dropped by 26%. Simulations indicate that industry compositions partly placed these groups at a higher risk of losses.

Immigrant business owners experienced substantial losses of 36%. Female-owned businesses were also disproportionately hit by 25%.

These findings of early-stage losses to small businesses have important policy implications and may portend longer-term ramifications for job losses and economic inequality.”

WHAT ARE SOME KEY RECOVERY CHALLENGES?

- ❑ Small businesses, especially women- and BIPOC-owned businesses, must be a priority in the state's recovery efforts. Data continues to suggest these businesses are having the greatest challenges in accessing technical and financial assistance.
- ❑ Many small businesses are concerned about being able to meet re-opening health and safety protocols. It is difficult to keep-up on changes and the wording can be too vague.
- ❑ Small businesses are concerned about being sued by employees and customers for being exposed to COVID-19.
- ❑ Small businesses face many challenges in accessing sufficient amounts of PPE, as well as paying for higher and ongoing additional costs of operation during the pandemic.
- ❑ With traditional procurement outreach methods on hold, small businesses are finding it difficult to meet prime contractors who may be bidding on state contracts.

TIMELY CHARTS

The Most Popular Dog Breeds in the U.S.

Dog breeds most often registered in the U.S. in 2009 and 2019



	2009	change from 1999		2019	change from 2009
1. Labrador Retriever	0	◀	Labrador Retriever	0	◀
2. German Shepherd	+1	▲	German Shepherd	0	◀
3. Yorkshire Terrier	+6	▲	Golden Retriever	+1	▲
4. Golden Retriever	-2	▼	French Bulldog	+20	▲
5. Beagle	0	◀	Bulldog	+2	▲
6. Boxer	+4	▲	Poodle	+3	▲
7. Bulldog	new*		Beagle	-2	▼
8. Dachshund	-4	▼	Rottweiler	+5	▲

* to top 20
Source: American Kennel Club

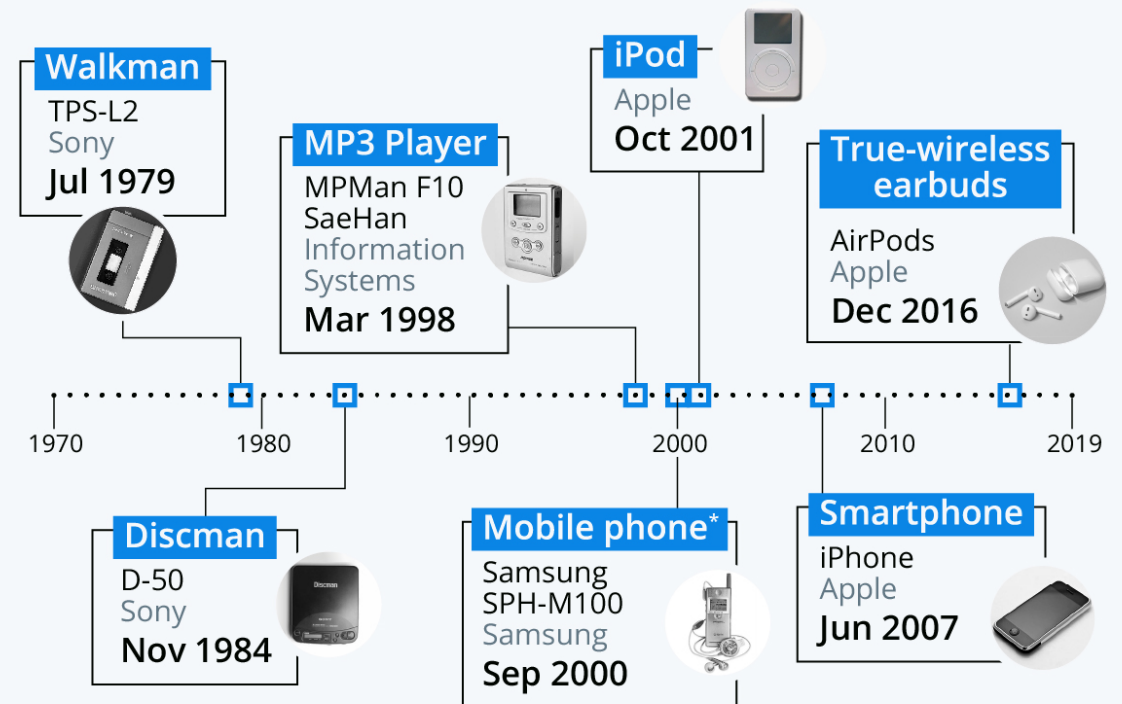


statista

<https://www.statista.com/chart/17440/top-dog-breeds-united-states/>

The History of Portable Music

Launch date of selected milestone portable music products



* first mobile phone with an MP3 player

Sources: Wikipedia, GSMHistory.com, PCWorld



statista

<https://www.statista.com/chart/18555/portable-music-milestones/>



ECONOMIC RECOVERY PROGRAMS AND INITIATIVES

Agenda Item II

SPEAKERS — AGENDA ITEM II

- ❑ Toni Symonds, JEDE Committee, will facilitate a discussion.
- ❑ Angela Shell, Deputy Director of the Procurement Division of DGS
- ❑ Jai Sharma with the Silicon Valley Consulting Group
- ❑ Bianca Blomquist with Small Business Majority
- ❑ Heidi Pickman with CAMEO
- ❑ Nancy Swift with JEDI and the California Women's Business Center Network
- ❑ Lisa Countryman-Quiroz with Jewish Vocation Services
- ❑ David Nelson with CalAsian Chamber of Commerce
- ❑ Dennis Sonney with CMTC

Other roundtable participants are encouraged to also share their priorities and experiences.

STAKEHOLDER UPDATES

- ❑ The **California Asian Pacific Chamber of Commerce** hosted the **California Resiliency and Recovery Summit** on October 13, 2020. The event is now available on-demand through YouTube: <https://www.youtube.com/watch?v=IFiBaS0bsj4&feature=youtu.be> Major Speakers included the Labor Secretary Julie Su and Assemblymembers Low, Kalra, and Muratsuchi.
- ❑ CAMEO is releasing a recovery response strategy, which proposes the reallocation of underutilized program funds to COVID-19 priority programs.
hpickman@cameonetwork.org
- ❑ Small Business Majority and CAMEO are helping to launch California Rebuild Fund.
bblomquist@smallbusinessmajority.org hpickman@cameonetwork.org

BLUEPRINT FOR REOPENING

❑ State's 4-Tier reopening index - Tier 4 (purple) has the most restrictions and Tier 1 (yellow) has the fewest: <https://covid19.ca.gov/safer-economy/>

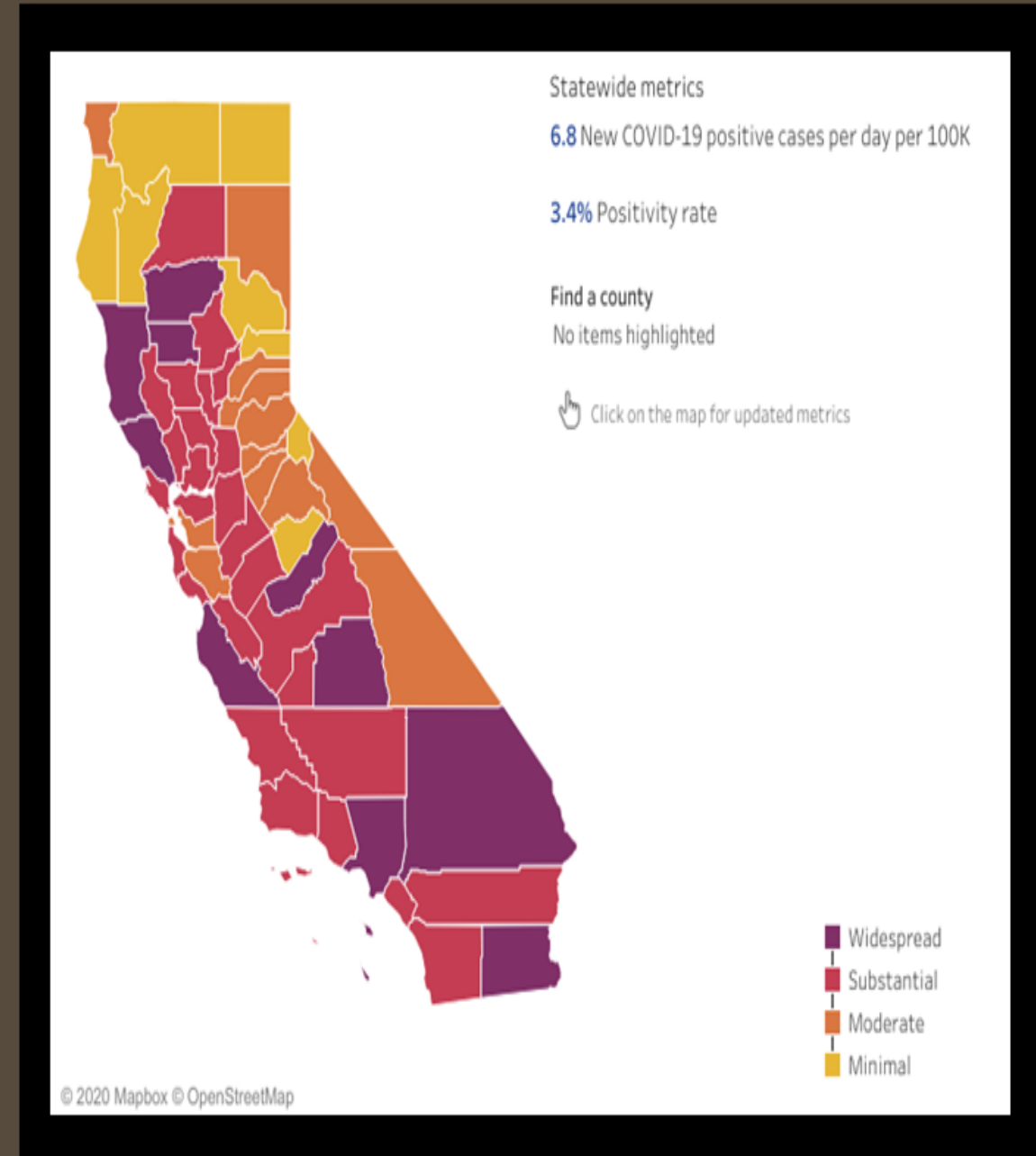
❑ Restrictions Under Each Tier:
https://www.cdph.ca.gov/Programs/CID/DCDC/CDPH%20Document%20Library/COVID-19/Dimmer-Framework-August_2020.pdf

❑ Equity Metric – new part of Blueprint:
<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/CaliforniaHealthEquityMetric.aspx>

❑ Updated Industry Guidance:
<https://covid19.ca.gov/industry-guidance/>

❑ Safely Making Web Platform:
<https://www.safelymakingca.org/>

❑ Shop Safe Shop Local:
<https://business.ca.gov/shopsafeshoplocal/>



LEVERAGING COMMEMORATIVE MONTHS

- Latino Heritage Month is September 15 to October 15, 2020
- October is Manufacturing Month
- October is Women Business-Owner Month
- October is National Disability Employment Awareness Month
- October is California Farmers and Farmworkers Month
- November is Native American Heritage Month
- National Apprenticeship Week is November 8 to 14

NEW FEDERAL EXECUTIVE ORDER 13950 - COMBATING RACE AND SEX STEREOTYPING

[HTTPS://WWW.DOL.GOV/AGENCIES/OFCCP/FAQS/EXECUTIVE-ORDER-13950#Q6](https://www.dol.gov/agencies/ofccp/faqs/executive-order-13950#Q6)

- The executive order became effective immediately when it was signed on September 22, 2020.
- The provisions will apply to contracts entered into 60 days after the date of the executive order (November 21, 2020)
- The prohibition applies to federal contractors and subcontractors.

According to the FAQ: Unconscious or implicit bias training is prohibited to the extent it teaches or implies that an individual, by virtue of his or her race, sex, and/or national origin, is racist, sexist, oppressive, or biased, whether consciously or unconsciously.

Training is not prohibited if it is designed to inform workers, or foster discussion, about pre-conceptions, opinions, or stereotypes that people—regardless of their race or sex—may have regarding people who are different, which could influence a worker's conduct or speech and be perceived by others as offensive.

CA SMALL BUSINESS LOAN GUARANTEE PROGRAM

Small Business Finance Center at the IBank - \$100 million loan guarantee to support California Small Business Loan Guarantee Program, including a Disaster Loan Guarantee <https://www.ibank.ca.gov/small-business/disaster-relief/>

- Program expanded to include businesses from 1 to 750 employees with a maximum loan guarantee of \$1 million.
- 13 lenders participating <https://www.ibank.ca.gov/small-business/participating-lenders/>
- Small businesses can access the program by contacting the lenders directly, as well as contacting the Small Business Financial Development Corporations.

CALIFORNIA REBUILD FUND

Small Business Majority (SBM) and CAMEO, as members of the CASE Taskforce, are hoping that small business stakeholders can collaborate with them to ensure that small businesses in every community become aware of the California Rebuild Fund backed by \$25 million from the IBank Small Business Finance Center and private sector capital.

Since the last update:

1. They have held a Train the Trainer event on October 1, 2020
2. They have held a webinar with small business owners.

At today's roundtable meeting, they are interested in getting feedback from the events, answering questions, and inviting stakeholders to future events.

CAMEO is working with CDFIs across the state to get them plugged into the California Rebuild Fund, and SBM is managing the business organization and business-owner facing outreach.

The Fund is expected to launch in October and CASE is hosting a number of events to make sure information about this product spreads quickly. Please visit: <https://ibank.ca.gov/small-business/california-rebuilding-fund/#/>.

NEW PROGRAMS APPROVED AND BEING DEVELOPED

- \$10 million Social Entrepreneurs for Economic Development initiative to assist economically disadvantaged groups who face significant barriers to employment, including, but not limited to, individuals with limited English proficiency.
 - While being administered by the California Workforce Development Board, the California Labor Agency is taking the lead in developing the program.
- Climate Catalyst Revolving Loan Program at the IBank.
 - Funding will be provided through non-state governmental entities and private sources.
 - The Strategic Growth Council will advise the Legislature on categories to fund, and a report on the projects funded will be annually presented to the Legislature.



2020 AND 2021 LEGISLATION

Agenda Item III

SPEAKERS — AGENDA ITEM III

- ❑ Toni Symonds, JEDE Committee, will discuss state legislation and then facilitate a discussion from others about the next few weeks of activity.
- ❑ Phil Vermeulen with Coalition of Small and Disabled Veteran Businesses
- ❑ Heidi Pickman with CAMEO

Advocates are encouraged to share their legislative priorities for 2021

WHO IS WORKING ON WHAT?

- ❑ CAMEO is working to expand consumer financial protection activities under a new Department of Consumer Financial Protection and Innovation.
hpickman@cameonetwork.org
- ❑ Coalition of Small and Disabled Veteran Businesses is working on a micro-enterprise designation for public works projects AND update to workforce credit of the Target Area Procurement Preference. Phil@pvgov.com
- ❑ CAMEO has a preliminary proposal to reallocate unused small business funds.
hpickman@cameonetwork.org
- ❑ JEDE is initiating a work group on longer term certifications and their role in the state's economic recovery and building back better. Toni.Symonds@asm.ca.gov

LEGISLATION BILL LISTS

- ❑ Bills in Green were passed by the Legislature and signed by the Governor
- ❑ Bills in pink did not make it through the legislative process
- ❑ Bills in red were vetoed by the Governor



ASSEMBLY BILLS JEDE IS WATCHING

- AB 103 (Asm Budget) Unemployment Insurance
- AB 323 (Blanco Rubio) Independent Contractors and Newspaper Distributors
- AB 639 (Cervantes) Impact of Climate Policies on Workers
- AB 685 (Reyes) Employer Notification to Employees on Possible COVID-19 Exposure
- AB 793 (Ting) Minimum Recycled Content
- AB 979 (Holden, C. Garcia) Minority Representation on Corporate Boards
- AB 1304 (Waldron) California MAT Re-Entry Incentive Program
- ~~■ AB 1457 (Cervantes, Reyes) Training Pilot Project to Address Regional Skill Gaps~~
- AB 1577 (Burke) Tax Exemption from Federal CARES Act Loan Forgiveness

ASSEMBLY BILLS JEDE IS WATCHING (CONTINUED)

- AB 1657 (E. Garcia) Task Force on Lithium Extraction
- AB 1731 (Boerner Horvath) UI Work Sharing Agreements
- ~~AB 1850 (Gonzalez) Classification of Writers as Employees and Independent Contractors~~
- AB 1864 (Limón) Department of Financial Protection and Innovation
- AB 1876 (Assembly Budget Committee), which expands access to the California Earned Income Tax Credit (CalEITC) and Young Child Tax Credits
- AB 1947 (Kalra) Employment violation complaints: requirements: time
- ~~AB 1968 (Ramos) Tribal Land Acknowledgment Act of 2020~~
- ~~AB 2054 (Kamlager) Community Response to Strengthen Emergency Systems Grant Program~~

ASSEMBLY BILLS JEDE IS WATCHING (CONTINUED)

- AB 2149 (Gonzales) Food Delivery Platforms
- AB 2196 (Gonzales) Pilot Program for Increased Access to Responsible Small Dollar Loans
- AB 2257 (Gonzalez) Classification of Musicians as Employees and Independent Contractors
- ~~■ AB 2621 (Mullin) Regional Climate Networks~~
- AB 2759 (Oberholte) Collateral Recovery
- AB 2762 (Muratsuchi) Cosmetic Safety
- AB 2800 (Quirk) State Infrastructure Planning: Climate-Safe Infrastructure Working Group

ASSEMBLY BILLS JEDE IS WATCHING (CONTINUED)

- AB 2992 (Weber) Employment practices: leave time
- ~~AB 3056 (Gonzales) Warehouse and Distribution Centers~~
- AB 3121 (Weber) Task Force to Study and Develop Reparation Proposals for African Americans
- ~~AB 3124 (Aguilar-Curry) Refugee Social Services~~
- ~~AB 3205 (Salas) Regions Rise Together Grant~~
- ~~AB 3216 (Katra and Gonzalez) Return Rights for Furloughed Workers~~
- ~~AB 3307 (E. Garcia and Cervantes) Manufacturing Disaster Loan and Guarantee Program~~
- ACA 5 (Weber, Gipson, Santiago, and Gonzalez) Repeal of Section 31 of Article I relating to the prohibition against discrimination or preferential treatment, among other provisions

SENATE BILLS JEDE IS WATCHING

- ~~SB 25 (Caballero) CEQA Modifications for Opportunity Zone Funded Projects~~
- SB 312 (Leyva) Beauty Product Disclosure
- SB 588 (Archuleta) DVBE Procurement
- ~~SB 795 (Beall) Climate Change Infrastructure~~
- SB 895 (Archuleta) Zero-emission Transportation Fuels and Fueling Infrastructure
- ~~SB 1457 (Borgeas) State regulatory action: reduction or waiver of civil penalties~~
- ~~SB 1103 (Hurtado) Workforce Training Support Services~~
- ~~SB 1110 (Hurtado) California Medicine Scholars~~

SENATE BILLS JEDE IS WATCHING (CONTINUED)

- SB 1159 (Hill) Rebuttable Assumption – Access Worker Comp
- SB 1320 (Stern) Climate change: California Climate Change Assessment
- SB 1383 (Jackson) Access to Unpaid Job Protected Leave to Care for a Domestic Partner
- ~~SB 1399 (Durazo) Garment Industry~~ Did this go into a budget bill?
- SB 1409 (Caballero) Earned Income Tax Credit
- SB 1447 (Bradford, Caballero, Cervantes) Small Business Tax Credit for Net Increase in Jobs
- ~~SB 1457 (Borgeas) Reduction of Civil Penalties for Small Businesses~~



COLLECTING DISCUSSION TOPICS FOR NEXT MEETING

Please email suggestions if not
already raised during today's
discussion



CLOSING THOUGHTS

Links to Useful Information

STAY CONNECTED WITH GO-BIZ AND OPR

GO-Biz, the Office of the Small Business Advocate, and OPR are partnering on a range of activities, including weekly webinars and videos. You can stay connected through the following channels:

- To view the Entrepreneurship Task Force COVID-19 Rapid Response Online Sessions: <https://business.ca.gov/advantages/small-business-innovation-and-entrepreneurship/help-us-advance-entrepreneurship/>
- Subscribe to GO-Biz's Newsletter for COVID-19: <https://business.ca.gov/gobiz-newsletter-signup/>
- Subscribe to OPR's Federal Grants E-List: <https://tinyurl.com/y9du7fg3>
- Follow @CAGOBIZ on Twitter: <https://twitter.com/CAGoBiz>
- Follow @Cal_OPR on Twitter: https://twitter.com/cal_opr?lang=en
- Subscribe to the GO-Biz YouTube Channel: <https://www.youtube.com/channel/UCregW8KZRE4k1sXVZs2bPxw>
- Submit questions to the California Business Investment Service: calbis@gobiz.ca.gov

JEDE COVID-19 ACTIVITIES

Conference Calls: JEDE is sponsoring monthly conference calls where stakeholders can share program and service delivery challenges in real time and seek resolution and mitigation actions within the broader business, economic, and workforce development community.

COVID-19 Updates: JEDE regularly publishes economic and business development updates to professionals engaged in meeting the needs of small businesses and local communities caused by the coronavirus emergency.

Resource Webpages:

- JEDE COVID-19 Resource Page: <https://ajed.assembly.ca.gov/content/covid-19-resources>
- Small Business Roundtable: <https://ajed.assembly.ca.gov/content/small-business-roundtables>