



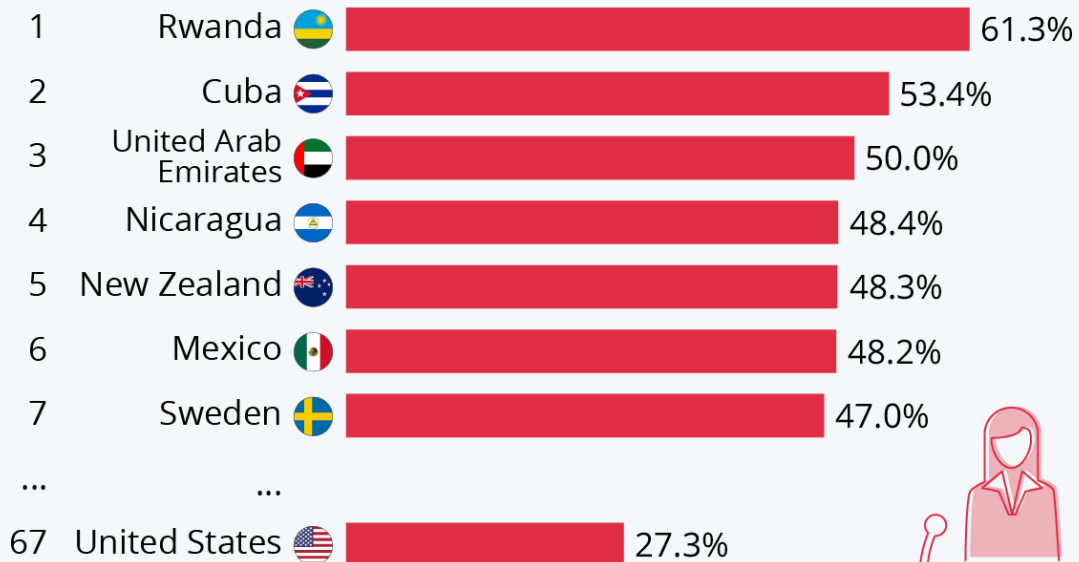
SMALL BUSINESS ROUNDTABLE

MARCH 18, 2021 CONVENING

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

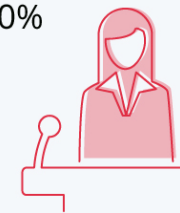
The Countries With The Most Women In National Parliament

Share of women in the lower house of parliament
as of January 2021*



* Based on the most recent election.

Source: Inter-Parliamentary Union



statista

<https://www.statista.com/chart/16919/share-of-women-in-the-lower-house-of-parliament/>



WELCOME AND OVERVIEW

Agenda Item I

AGENDA

- I. Welcome and Overview
- II. Economic Data
- III. Updates on Economic Recovery Programs and Initiatives
- IV. 2021 Federal and State Public Policy Issues
- VI. Final Comments and Adjournment

JEDE CHAIR ASSEMBLYMEMBER SABRINA CERVANTES

- Elected to the Assembly in 2016
- Served on the JEDE Committee for three terms, including two as Chair
- During the COVID-19 pandemic, Sabrina is focusing the Assembly Jobs Committee on tracking and disseminating information to stakeholders about resources available to help keep small businesses open and workers employed.
- The Assembly Jobs Committee regularly convenes stakeholder groups to exchange information, collaborates on small business outreach projects, and maintains a webpage with information about resources, free webinars, and recovery activities in California. <https://ajed.assembly.ca.gov/content/covid-19-resources>





ECONOMIC DATA

Agenda Item II

DATA POINTS

FEDERAL Unemployment – 6.2% (February 2021)

- ❖ US nonfarm payroll employment increased by 379,000 in February 2021, and the unemployment rate fell to 6.2% with 10 million people unemployed.
- ❖ The most notable job gains occurred in occurred leisure and hospitality, with smaller gains in temporary help services, health care and social assistance, retail trade, and manufacturing..
- ❖ The February 2021 unemployment rates: Teenagers 13.9%, Blacks 9.9%, Hispanics 8.5%, Asians 5.1%, and Whites 5.6%.
- ❖ The labor force participation rate was 61.4%, unchanged from the prior month.
- ❖ There are 6.9 million persons not in the US labor force who currently want a job, little changed over the month, and this is up by 1.9 million over the year.

CALIFORNIA Unemployment – 9.0% (January 2021)

- ❖ Total nonfarm employment in CA for January 2021 was 16.9 million, reflecting an increase of 32,000 jobs from the prior month. Down -9.9% from the prior year.
- ❖ CA reported over 1.6 million unemployed individuals for the month of January 2021. Labor participation rate of 60.0% - down -2.5% from the prior year.
- ❖ Between March and April 2020, CA lost 2.6 million jobs.
- ❖ 3.8 million people in CA are receiving some form of unemployment-related benefits, based on a four-week rolling average (Feb. 13, 2021 through March 6, 2021).
- ❖ \$128 billion paid to out of work Californians since start of pandemic.
- ❖ The number of persons who worked part time involuntarily, also called “for economic reasons” increased by 408,000 (61.1%) since December 2019.

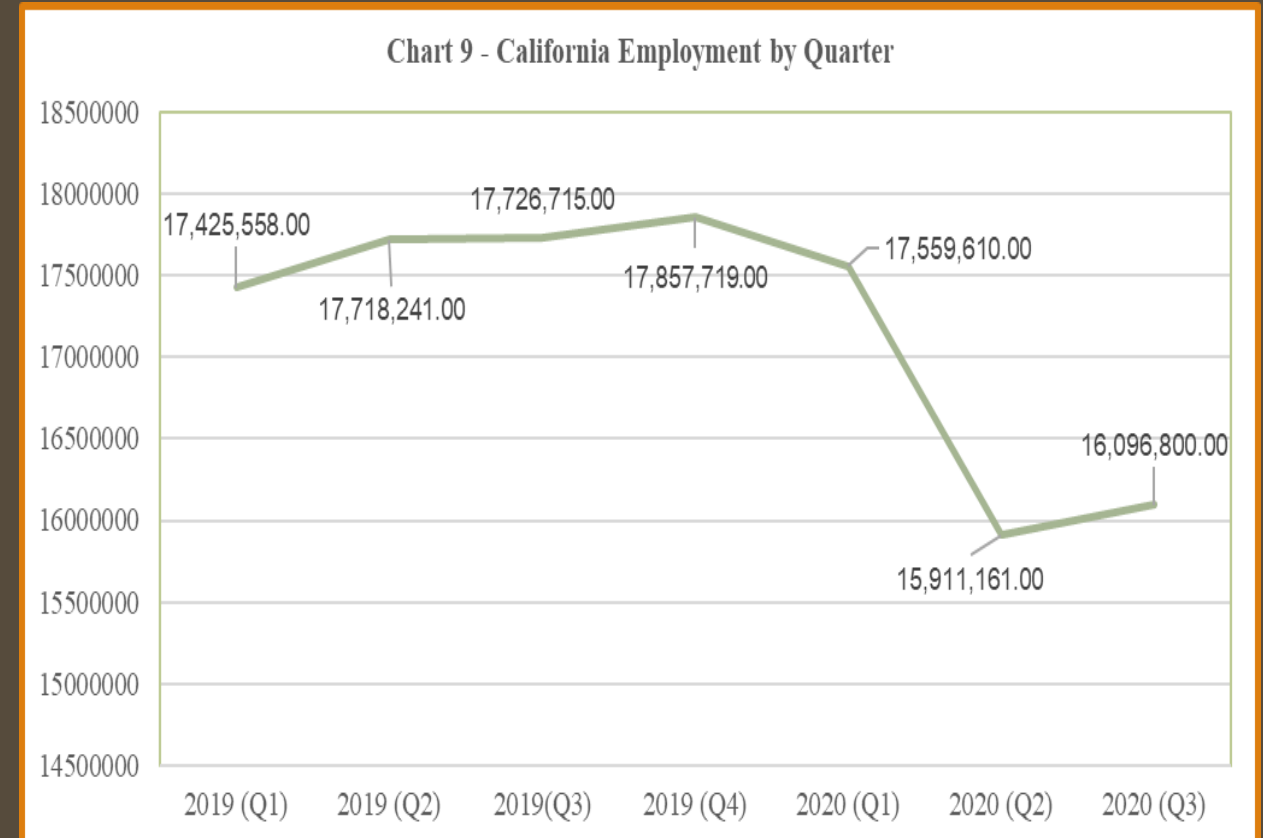
EMPLOYMENT IMPACTS OF COVID-19 PANDEMIC

California entered the COVID-19-induced recession with historically low unemployment.

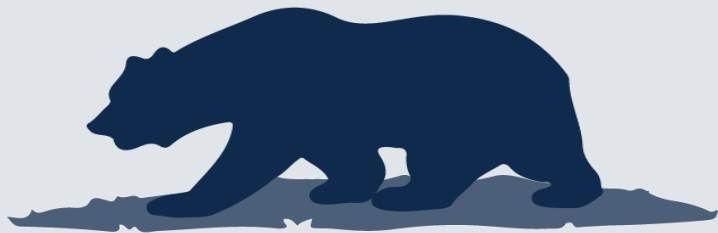
Between the Fourth Quarter in 2019 and the end of the First Quarter in 2020 there was a 1.67% decline in California employment.

The largest decline in 2020 was a 9.39% drop in the Second Quarter, which was followed by a small increase of 1.17% in the Third.

Over the same time period, US employment was less impacted with employment losses in the Second Quarter being lower (8.1%) and Third Quarter increase being higher (2.5%).



Supplementary Materials for Hearing on Inclusive Economic Recovery



Presented to:

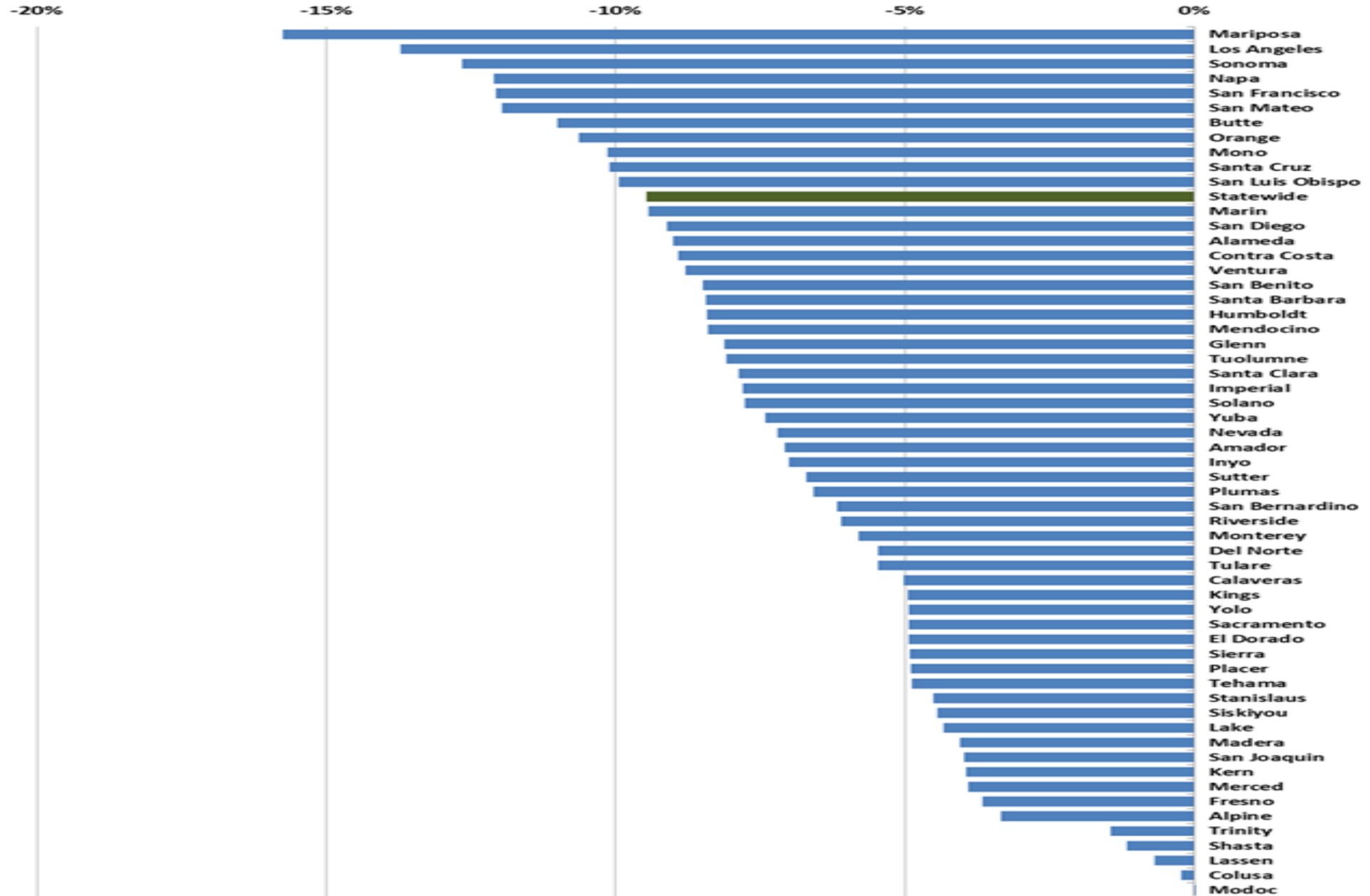
**Assembly Committee on Jobs, Economic
Development, and the Economy**

March 16, 2021

Legislative Analyst's Office

County Job Losses During COVID-19 Pandemic

Percent change in county employment between February 2020 and January 2021



Close-Contact Industries Hit Hardest by COVID-19

Percent change in statewide employment, February to September 2020

Other Industries

Finance and Insurance
Professional and Technical Services
Transportation and Utilities
Health Care and Social Assistance
Wholesale Trade
Real Estate
State Government
Construction
Retail Trade
Manufacturing
Local Government
Administrative and Waste Management
Educational Services
Information



Close-contact Industries

Other Services
Accommodation and Food Services
Arts, Entertainment, and Recreation

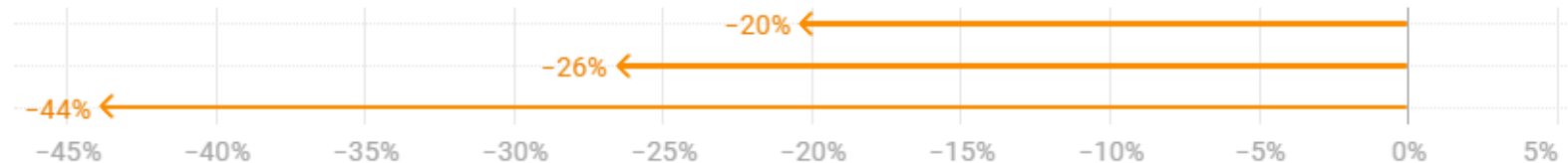
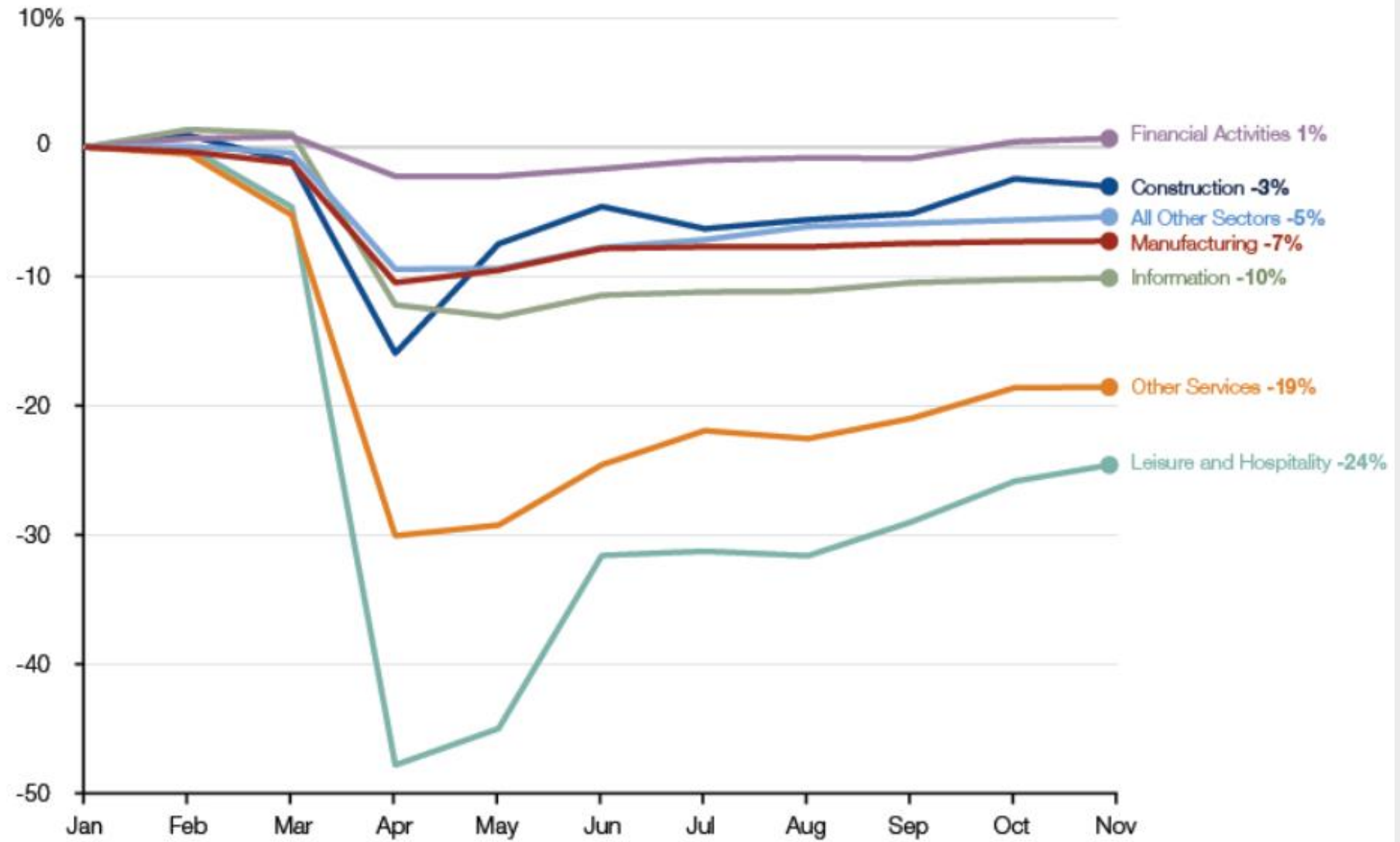


Chart: Legislative Analyst's Office • Source: Bureau of Labor Statistics • Created with [Datawrapper](#)

Percent Change in State Employment by Sector

Percent Change Since January 2020





UPDATES ON ECONOMIC RECOVERY PROGRAMS AND INITIATIVES

Agenda Item III



FOCUS AREAS

- ❑ Updates on Approved Economic Recovery Initiatives
- ❑ Strategies to improve program delivery

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.
- ❑ Guidance on business operations continues to evolve making it difficult to identify, understand, and implement. Small businesses are concerned about COVID-19-associated legal liability.
- ❑ State contracting opportunities remain limited and with traditional procurement outreach methods on hold, small businesses are finding it difficult to meet prime contractors who may be bidding on state contracts. It is not clear as to all the factors resulting in small businesses and DVBES being excluded from this important source of revenue.
- ❑ COVID-19 is creating many new business operation challenges, including accessing PPE, testing kits for employees, local broadband capacity, and additional costs of operation during the pandemic.
- ❑ COVID-19 is amplifying old business operation challenges, including local broadband capacity, access to capital, and the cost of meeting regulations.
- ❑ Small businesses need grants, even low-interest loans are not sufficient. Eligible entrepreneurs face major hurdles in accessing Pandemic Unemployment Insurance, which has lagged behind traditional UI payments.

SPEAKERS — AGENDA ITEM III

- ❑ Toni Symonds, JEDE Committee, will facilitate our discussion
- ❑ Lawrence Gayden with [CMTA](#) on their letter regarding COVID-19 Emergency Temporary Standard
- ❑ Kristine Johnston and Chris Holden with the [Northern California SBDC Lead Center](#)
- ❑ Lorrie Aiello and Gary Steinberg with [CMTC](#)
- ❑ Mark Robertson, [Pacific Coast Regional](#)
- ❑ Jai Sharma with the Silicon Valley Consulting Group
- ❑ Claudia Viek with the Invest in Women Entrepreneurs and the California Women's Business Center Network www.californiawbc.org

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

FEDERAL TAX DEADLINE EXTENDED

The US Treasury Department and IRS extended the federal income tax filing due date for individuals for the 2020 tax year from April 15, 2021, to May 17, 2021.

“This continues to be a tough time for many people, and the IRS wants to continue to do everything possible to help taxpayers navigate the unusual circumstances related to the pandemic, while also working on important tax administration responsibilities,” said IRS Commissioner Chuck Rettig. “Even with the new deadline, we urge taxpayers to consider filing as soon as possible, especially those who are owed refunds. Filing electronically with direct deposit is the quickest way to get refunds, and it can help some taxpayers more quickly receive any remaining stimulus payments they may be entitled to.”



INCLUSIVITY PROJECT

Project of the Norcal SBDC

1,000

1,000 black
entrepreneurs and
business owners

\$100M

\$100 million in capital
investment

100

100 new startups



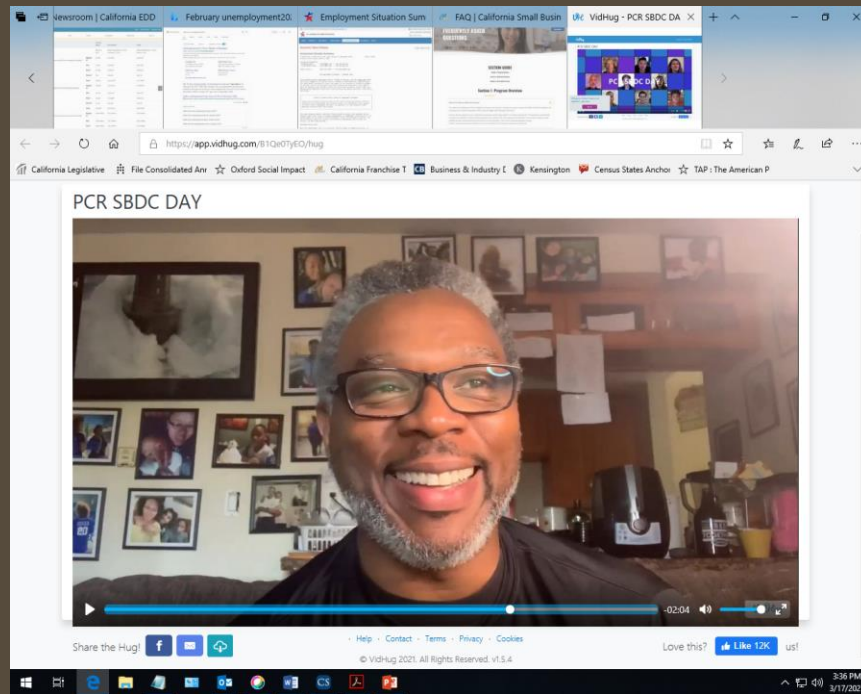
Dozens of committed
community partners



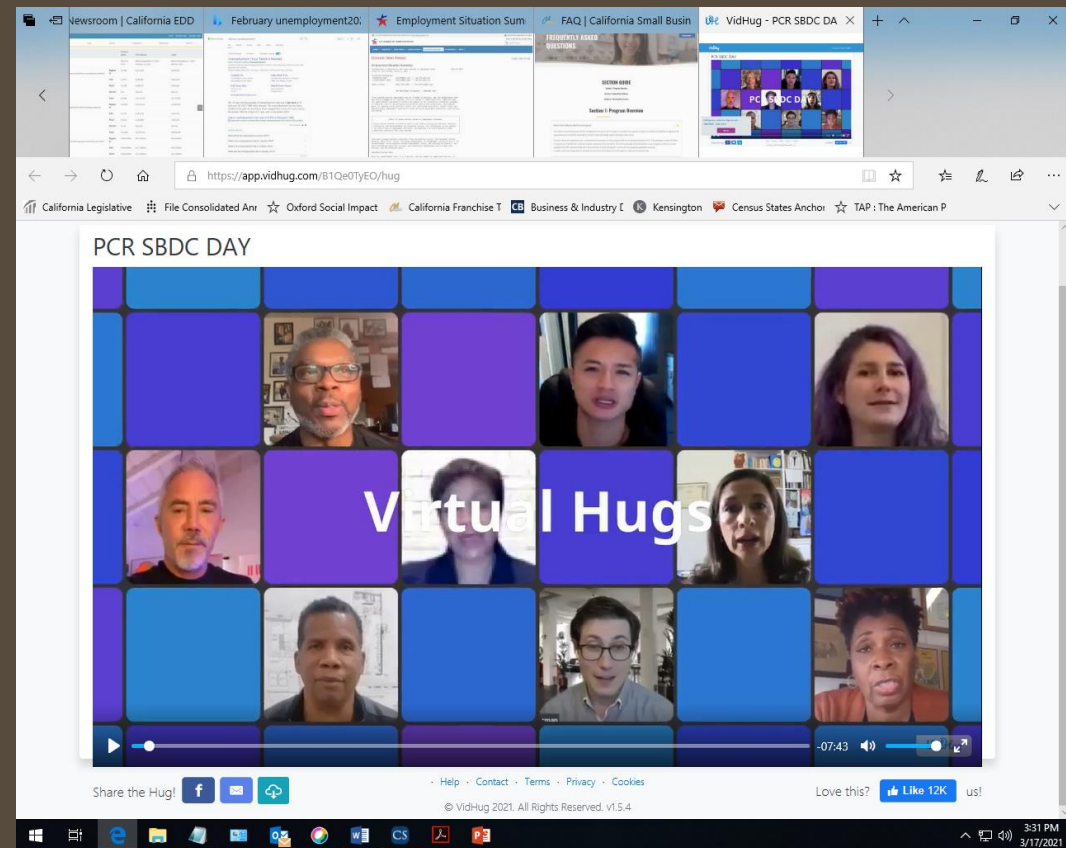
CHRIS HORTON
INCLUSIVITY PROJECT
VISIONARY

Learn more at TheInclusivityProject.com

PACIFIC COAST REGIONAL — SBDC AND FDC



<https://app.vidhug.com/B1Qe0TyEO/hug>





Invest in California's Women Entrepreneurs

www.californiawbc.org



16 California Women's Business Centers



1

WBC at JEDI

a) 205 Chestnut St., PO Box 1586, Mount Shasta, CA 96067
b) 1670 Market St., Ste. 112, Redding, CA 96001
Phone: 530-926-6670
www.e-jedi.org

2

Mendocino WBC

a) 345 N. Franklin St. Fort Bragg, CA 95437
b) 185 E. Church St, Ukiah, CA 95482
Phone: 707-964-7571
www.westcenter.org

3

The California Capital WBC

1792 Tribute Road - Suite 270, Sacramento, CA 95815
Phone: 916-442-1729
www.cacapital.org

4

AnewAmerica WBC - Oakland

1470 Fruitvale Ave. - #5, Oakland, CA 94601
Phone: 510-532-5240
www.anewamerica.org

5

Renaissance Entrepreneurship Center WBC

275 Fifth Street, San Francisco, CA 94103
Phone: 415-348-6217
www.rencenter.org

6

AnewAmerica WBC

210 N. 4th ST - Ste. #205, San Jose, CA 95112
Phone: 408-326-2669
www.anewamerica.org

7

El Pajaro CDC Regional WBC ★

23 E. Beach St. #209, Watsonville, CA 95076
Phone: 831-722-1224
www.elpajarocdc.org

8

Mission Community Services Corp. WBC

a) 71 Zaca Lane, Suite 130, San Luis Obispo, CA 93401
Phone: 805-595-1357
www.mcscorp.org

9

MCSC Kern WBC ★

5501 Stockdale Hwy, Suite 9964, Bakersfield, CA 93389
Phone: 661-567-0410
www.mcscorp.org/kern

10

Women's Economic Ventures WBC

a) 333 South Salinas Street Santa Barbara, CA 93103
b) 290 Maple Court, Suite 268 Ventura, CA 93003
Phone: 805-965-6073
www.wevonline.org

11

Asian Pacific Islander Small Business Program WBC

231 East 3rd Street, G106, Los Angeles, CA 90013
Phone: 213-473-1603
www.apisbp.org/womens-business-center.html

12

PACE WBC

1055 Wilshire Boulevard, Suite 900B, Los Angeles, CA 90017
Phone: 213-353-9400
www.pacela.org

13

New Economics for Women (NEW) WBC ★

7500 Alabama Ave, Canoga Park, CA 91303
Phone: 213-483-2060
www.new-wbc.org

14

Inland Empire WBC

a) 1003 E. Cooley Drive, Ste 109, Colton, CA 92324
b) 3780 Market Street Riverside, CA 92501
Phone: 909-890-1242
www.iewbc.org

15

Coachella Valley WBC

77806 Flora Road, Suite A, Palm Desert, CA 92211
Phone: 760-345-9200
www.cvwbc.org

16

San Diego & Imperial WBC

a) 880 National City Blvd. National City, CA 91950
b) 990 Highland Dr #314, Solana Beach, CA 92075
Phone: 619-216-6719
www.sandiegowbc.org

★ Indicates New WBC

Women's Business Centers Contribute to State's Economic Recovery

12,300

Clients Served
56% increase

9,000

Businesses Sustained/Started
150% increase

15,850

Jobs Created/Retained
80% increase

\$350M

Gross Revenues
350% increase reported

\$50M

Capital Leveraged
120% increase

Build resilient communities. Grow our economy. Invest in Women's Business Centers of California.

WBC Clients Served

Ethnic Breakdown of Clients Served:

- 52% People of Color
 - 28% Latino
 - 14% African American
 - 14% Asian & Pacific Islander
- 44% Caucasian



Highlighted Clients:



**Pierce Optimum
Care &
Progress Bound**
Adult Care Services

**Coachella Valley
WBC**



**Resolute Circles
Group**

Services, Fitness
resolutecirclesgroup.com

**California
Capital WBC**



MJ Importation
Retail Dog Clothing
www.mexican-heart.com

**San Diego &
Imperial WBC**

www.californiawbc.org

Supply Chain Disruption/Scouting Services



Gary Steinberg –Supply Chain Advisor

Supply Chain Disruption/Scouting Services



Gary Steinberg –Supply Chain Advisor

Supply Chain Disruption/Scouting Services



Gary Steinberg –Supply Chain Advisor

CMTC Call to Action

- **National Crisis of sourcing and locating PPE**
 - **National Extension Partnership/NIST was funded by the U.S. Department of Commerce**
 - **CMTC created a Supplier Scouting and Matching Program**
- **Recent Executive Order signed by President Biden for “Made in America” a.k.a. *Reshoring the Supply Chain***

CMTC Supplier Scouting Program– NO FEE Service

- Current State:
 - CMTC performs Supplier Scouting and Matching Service at NO FEE
 - Support not only current CMTC CA clients but SMM manufacturers supply chains
- What's included:
 - CMTC performs supplier scouting and matching for one and up to three material requests
 - CMTC's goal is to refer 1 to 3 pre screened suppliers for each request
 - CMTC refers suppliers in priority: CMTC clients/California/U.S. Domestic
 - CMTC screens suppliers by confirming a match to the requirements/specifications and interest of the opportunity
 - CMTC documents the list of referrals with company and contact information and any additional notes
- What's not included:
 - Qualifying the suppliers capabilities
 - RFQ process – requesting pricing and delivery
 - Final Supplier Selections
- Deliverables:
 - CMTC delivers (1 to 3) screened suppliers to clients
 - CMTC referrals are screened referrals but may not always be most cost effective supplier



Gary Steinberg | Supply Chain Advisor
California Manufacturing Technology Consulting® (CMTC)
690 Knox Street, Suite 200 | Torrance, CA 90502
Tel: 714.981.5930 | e-Fax: 248.748.2760 | Web: www.cmtc.com
EMAIL: gsteinberg@cmtc.com



SB AND DVBE PROCUREMENT OUTREACH (CONTINUED)

Jai Sharma with the Silicon Valley Consulting Group led a roundtable collaboration that produced a set of 3 recommendations relating to small business and DVBE participation in state procurement.

jsharma@svcgcorp.com

- Recommendation # 1— Increase pre-bid prime engagement with new SB and DVBE partners. Bart is mandating online speed dating.
- Recommendation # 2 – Expand state outreach activities to include industry-specific events.
- Recommendation # 3 – Host online meet and greets between state agencies and groups of small business vendors. Establish a State Mentor/Protégé program, similar to the Feds.

■ **Collaborators:** Bianca Blomquist, Small Business Majority; Tracy Stanoff, American Indian Chamber of Commerce, ADP Pro Web; Trish Funk & Nancy Swift, Women's Business Center at JEDI, e-jedi.org; Yolanda Benson, Government Relations, Team GSI; Charlotta Carter, GRI Tech Solutions; Shaila Mistry, NAWBO-CA, STEM Institute, Jayco MMI; Mack Ross, Black Chamber of Commerce; Frank Louie, CalAsian Chamber of Commerce; Phil Vermeulen, Coalition of Small & Disabled Veteran Businesses, pvgov.com; Lori Kammerer, Small Business California, NAWBO-CA & the CA Metals Coalition, Kammerer & Company, Inc.; Heidi Pickman, CAMEO Network; and Jai Sharma, Silicon Valley Consulting Group (*Organizer & Facilitator*)

SB AND DVBE PROCUREMENT OUTREACH (FINAL)

CALTRANS Small Business Outreach Program:

- **Senate Bill 1** (Beall, Chapter 5, Statutes of 2017), the Road Repair and Accountability Act of 2017, invests \$54 billion over 10 years. In deploying these funds, Caltrans is required to develop an outreach plan by January 1, 2019, to increase procurement opportunities for **new and limited contracting small business**, including certain disadvantaged groups. [Government Code Section 14110.1]
- Among other activities, Caltrans is required to introduce new and limited contracting small business enterprises **to prime contractors by organizing business matchmaking events and activities; and contract-specific outreach events.**

Definitions

Limited contracting small business enterprise: A certified small business, as defined in Section 14837, that has received fewer than five public contracts from the department in the previous two years or has received public contracts from the department totaling less than two hundred fifty thousand dollars (\$250,000) in the previous two years.

New small business enterprise: A certified small business, as defined in Section 14837, that has not received a public contract from the department in the previous two years.



PROGRAMS WE ARE TRACKING

Approved Programs & Initiatives

TRACKING IMPLEMENTATION OF STATE SMALL BUSINESS RESOURCES

- ❑ \$2.6 billion Small Business Grant Program. Qualifying small businesses and nonprofits can receive awards of up to \$25,000. <https://business.ca.gov/osba-signup/> \$2.1 billion provided in Early Action Budget Agreement
- ❑ \$100 million Main Street Tax Credit <https://www.ftb.ca.gov/file/business/credits/small-business-hiring-credit.html> \$100 million proposed in Jan Budget
- ❑ \$100 million new capitalization for the Small Business Disaster Loan Guarantee Program. <https://www.ibank.ca.gov/small-business/disaster-relief/> \$50 million proposed in Jan Budget
- ❑ Interest free extension on payments of Sales and Use Taxes to the State for businesses filing less than \$5 million in sales tax. <https://www.cdtfa.ca.gov/>
- ❑ \$12.5 million added to the California Rebuilding Fund, which provides capital to support small business loans. Provides \$125 million impact. <https://www.connect2capital.com/p/californiarebuildingfund/> \$50 million to IBank which could be used for this Fund or something else
- ❑ \$10 million Social Entrepreneurs for Economic Development initiative to assist economically disadvantaged groups <https://etp.ca.gov/grants/> \$35 million proposed in Jan Budget

SMALL BUSINESS COVID-19 RELIEF GRANT PROGRAM

- \$2.6 billion approved for small businesses and nonprofits
- \$475 million has been awarded through two rounds of funding.
- 334,000 applications for a total of \$4.4 billion were received during Round 1 and 2.
- Data available in JEDE Background Report for March 16, 2021, hearing on Inclusive Economic Recovery (<https://ajed.assembly.ca.gov/content/2021-priorities-inclusive-economic-recovery>)
- Round 3 (waitlisted applicants from Rounds 1 and 2): March 5th - March 11th, 2021
 - Details: This is a closed funding round; no new applications will be accepted
- Round 4 (non-profit cultural institutions only): Tuesday, March 16th through Tuesday, March 23rd, 2021
 - Eligible applicants: Only non-profit cultural institutions with any revenue size that meet eligibility criteria found at CAREliefGrant.com
 - Details: Eligible non-profit cultural institutions must complete a new application
- Round 5: Thursday, March 25th through Wednesday, March 31st
 - Eligible applicants: current waitlisted small businesses and non-profits not selected in Rounds 1, 2, or 3 and new applicants that meet eligibility criteria found at CAREliefGrant.com
 - Details: Applicants not selected to receive a grant in Rounds 1, 2, & 3 do not need to reapply as they will be automatically moved into Round 5. New applicants will need to apply at CAREliefGrant.com
- Round 6: Date to be announced soon
 - Eligible applicants: current waitlisted small businesses and/or non-profits not selected in Rounds 1, 2, 3, 4 or 5 and new applicants that meet eligibility criteria found at CAREliefGrant.com
 - Details: Applicants not selected to receive a grant in Rounds 1, 2, 3 & 5 do not need to re-apply and will be automatically moved into Round 6. New applicants will need to apply at CAREliefGrant.com

In Round 1 - 21,045 grants were awarded.

Table 2: Underserved Small Businesses Awarded CA Relief Grant Round 1

	Number of Awardees	% of Total Selected in Round 1	Amount Awarded	% of Total Amount Awarded in Round 1
<i>Underserved Small Businesses</i>	16,240	77.1%	\$174,746,860	74.0%
Minority	11,210	53.2%	\$116,987,000	49.5%
Women	10,312	48.9%	\$105,249,000	44.5%
Rural	2,998	14.2%	\$33,668,772	14.2%
Low-to Moderate Income (LMI) Tract	12,292	58.3%	\$134,503,000	56.9%
Veteran	519	2.5%	\$7,150,200	3.0%
*Please note that applicants can fit into more than one category above				

Table 3: Highly Impacted Industries Awarded CA Relief Grant Round 1

	Number of Awardees	% of Total Selected in Round 1	Amount Awarded	% of Total Amount Awarded in Round 1
<i>Highly Impacted Industries</i>	12,878	61.1%	\$147,932,429	62.6%
Personal Care	5,651	26.8%	\$49,303,826	20.9%
Restaurant and Other Eating Places	2,089	9.9%	\$36,827,533	15.6%
Child Daycare Services	670	3.2%	\$6,078,996	2.6%
Clothing Stores	653	3.1%	\$7,801,566	3.3%
Specialty Food	442	2.1%	\$5,765,500	2.4%
Other Highly Impacted industries	3,373	16.0%	42,155,008	17.8%

PROGRAMS APPROVED IN 2019 - STILL BEING DEVELOPED

- 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.
 - Governor is requesting \$97 million in the 2021-22 budget to support forest resilience (\$47 million) and agriculture-specific projects (\$50 million)
- Are there other programs we should be tracking that are under development?

GROUP SOURCE RESPONSE REQUESTED AND ANSWERED

Does anyone know of lenders doing PPP loans to new borrowers?

- California Hispanic Chamber of Commerce, in partnership with Prestamos CDFI, launched a new statewide initiative to help all small businesses access PPP loans. <https://www.prestamosloans.org/cahcc-ppp/#top>



List from SBA
District Office –
OCIE

American Lending Center*
Ampac Tri State CDC**
BSD Capital LLC dba Lendistry
Bourns Employees Federal Credit Union ***
California International Bank
Cathay Bank
CenterStone SBA Lending, Inc.
CommerceWest Bank
Community Commerce Bank
GBC International Bank
Harvest Small Business Finance, LLC
Inland Valley Federal Credit Union ***
Neighborhood National Bank
Southwestern National Bank
SunWest Bank
Tustin Community Bank
United Business Bank
US Metro Bank



2021 FEDERAL AND STATE PUBLIC POLICY ISSUES

Agenda Item IV

FOCUS AREAS

- ❑ Public Policy Priorities for 2021
- ❑ Economic Recovery Proposals – Under Discussion
- ❑ Recommendations from Reports



SPEAKERS — AGENDA ITEM IV

- ❑ Toni Symonds, JEDE Committee, will facilitate this discussion.
- ❑ Phil Vermeulen with the Coalition of Small and Disabled Veteran Businesses
- ❑ Tracy Stanhoff with the American Indian Chamber of Commerce of CA
- ❑ David Nelsen with the Cal Asian Chamber — AB 915 (Chiu) Economic Equity First Act
- ❑ Alicia Lewis on behalf of the Worker-Owned Recovery CA (WORC) Coalition

Advocates are encouraged to share their 2021 Federal and State Priorities and contribute to the “What’s Going On” discussions.

TRACKING NEW AND ONGOING ISSUES

- Federal Stimulus Bills: \$900 million COVID Relief Act and \$1.4 billion Omnibus Appropriation Act - signed December 2020
- Governor's Proposed State Budget for 2021-22 – introduced January 2021
- Business Recovery Proposal (*180 signatures from business organizations*) – submitted January 2021
- \$1.9 trillion Biden American Rescue Plan – Signed into law on March 11, 2021
- California Immediate Action Agreement for Relief to Californians Experiencing Pandemic Hardship – signed into law February 23, 2021
- Biden Build Back Better Recovery Plan – pending, initial announcement date was **February 2021**
- Biden \$2 trillion infrastructure plan
- Closure of the MBDA Centers throughout the US - officially ends June 30, 2021. All centers will be allowed 120 days to close out the award until October 31, 2021
- Congestion at the California Ports and Impact on the Supply Chain

Are you tracking other issues?

BIDEN AMERICAN RESCUE PLAN

\$1.9 trillion set of actions to combat the economic downturn and the Covid-19 pandemic. Key elements include:

- \$350 billion would help state and local governments bridge budget shortfalls, including funding to retain essential public workers, including police officers, firefighters, nurses, and educators
- \$2,000 in direct payments to individuals and households, calibrated by income. (\$1,400 + \$600 previous bill)
- Extended unemployment insurance and \$400 UI weekly supplement
- Small business assistance, including minority-owned small businesses and women-owned small businesses. Both debt and grants are envisioned
- Increase the federal minimum wage to \$15 an hour
- Federally mandated paid leave for workers
- Strategies to spur more manufacturing in the USA
- New investments in Research and Development to support innovation
- Funding infrastructure to address competitiveness and climate

GOVERNOR'S PROPOSED BUDGET FOR 2021-22 (1 OF 4)

This is a \$227.2 billion spending plan (\$164.5 billion General Fund), including significant investments intended to catalyze an equitable, inclusive and broad-based economic recovery. Top level investments include:

- \$14.5 billion in investments designed to support economic recovery with a focus on those Californians who have been most impacted by the pandemic.
- \$90 billion to support California schools – largest commitment to public K-12 education in California's history.
- \$34 billion in actions to strengthen the state's fiscal position, including providing for budget reserves and discretionary surplus deposits.
- Reflects \$16 billion of the estimated budget surplus moneys

GOVERNOR'S PROPOSED BUDGET FOR 2021-22 (2 OF 4)

Governor called on the Legislature to take immediate action. Passed \$9.7 billion in February.

Highlights:

- **\$2.4 billion** to capitalize the Golden State Stimulus program, which would provide \$600 to low-income individuals and families excluded from the federal stimulus (assists four million low-income Californians).
- **\$2.1 billion** for the CA Small Business COVID-19 Relief Grant Program to provide grants up to \$25,000 for small businesses impacted by the pandemic. \$50 million of which is set aside for cultural institutions (no size cap). (Initially proposed as \$575 million)
- **\$116 million** in fee cuts by waiving various fees for two years for heavily impacted service industries, including 59,000 restaurants and bars licensed through ABC and to the more than 600,000 barbering and cosmetology individuals and businesses licensed through the Department of Consumer Affairs. (Initially proposed at \$70.6 million.)
- **OPEN ITEM:** \$2 billion tax cut by conforming CA tax law to new federal tax treatment for loans provided through the Paycheck Protection Plan and EIDL, which allows borrowers to deduct up to \$150,000 in expenses covered by those loans.

GOVERNOR'S PROPOSED BUDGET FOR 2021-22 (3 OF 4)

\$777.5 million for a **California Jobs Initiative**, which focuses on job creation and retention, regional development, small businesses and climate innovation. This includes:

- \$340 million for the California Competes Tax Credit, including a new infrastructure grant and increases the annual allocation cap from \$180 million per year to \$280 million per year.
- \$250 million grant program that dedicates \$50 million to “high-need, high-opportunity areas of the state.”
- \$100 million to expand the Main Street Small Business Tax Credit from \$100 million to \$200 million.
- \$35 million to expand the California Dream Fund, which was authorized and appropriated \$10 million as part of the 20-21 budget deal.
- \$50 million to recapitalize the Small Business Loan Guarantee programs at the IBank.
- \$50 million to the California Infrastructure and Economic Development Bank to undertake activities that benefit underserved businesses in California. This may include the California Rebuilding Fund.
- \$100 million to expand the sales tax exclusion program administered by the California Alternative Energy and Advanced Transportation Financing Authority.

GOVERNOR'S PROPOSED BUDGET FOR 2021-22 (4 OF 4)

- \$500 million to the Infill Infrastructure Grant Program to fund the development of 7,500 new permanently affordable homes. These funds will help defray the costs of sewers, roads and site preparation, while also supporting construction jobs. \$250 million of these funds are proposed for early action.
- \$385 million for targeted investments to build a more sustainable agricultural industry.
- \$300 million one-time General Fund for deferred maintenance of state properties, including the greening of state properties and instillation of electric vehicle charging stations at state-owned facilities.

ECONOMIC RECOVERY PROPOSAL LETTER SENT BY 180+ BUSINESS ASC

- Immediate 6-month suspension of certain laws and regulations to reduce regulatory burdens on employers. Provide businesses a reasonable grace period to implement updated guidance and regulations
- Temporary delay the next installment of property taxes that are due in April 2021 to allow employers time to reopen and earn income/revenue
- Expand eligibility under the Small Business Grant Program to include slightly larger size employers and increase maximum grant amounts
- Develop an immediate financial reimbursement or quarterly tax offset for employers who are investing in state-mandated COVID-19 upgrades for their workspaces
- Allow employers to utilize Net Operating Losses (NOLs) and Tax Credits this year
- Eliminate regulatory disincentives for telecommuting, such as laws that limit flexible work schedules
- Relieve employers of abusive lawsuits under the Labor Code Private Attorney General Act (PAGA)
- Use part of the one-time budget windfall to pay down the state's outstanding Unemployment Insurance loan from the federal government

<https://calchamberalert.com/2021/01/15/allies-join-calchamber-call-for-covid-business-relief/>

ONGOING PROJECTS

- ❑ 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. pickman@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
- ❑ JEDE, in partnership with CAMEO and Small Business Majority, is facilitating What is Going On Workshops Toni.Symonds@asm.ca.gov

JEDE INFORMATIONAL HEARING ON MARCH 16

Inclusive Economic Recovery Priorities for 2021

- I. Welcome, Introductions, and Opening Statements
- II. LAO Framework on Stimulus Funding
- IV. Priorities of the California Workforce Development Board
- V. Priorities of Businesses, Workers, and Entrepreneurs
- V. **Public Comment**
- VI. Closing Remarks

Featuring: Brian Uhler (LAO), Tim Rainey (CBDB), Lance Hastings (CMTA), Ron Miller (CBCTA), and Tracy Stanhoff (AICCA).

Link to the Hearing Webpage: <https://ajed.assembly.ca.gov/content/2021-priorities-inclusive-economic-recovery>

WHAT IS GOING ON WORKSHOPS

The WGO Workshops are providing the foundation for a roadmap to aid public and private stakeholder groups in identifying major public and private proposals and understanding methods for follow-up.

Status Report: JEDE has completed summaries of each workshop ([see below](#)) and is in the process of compiling an Excel document that identifies findings and recommendations

Next Step: Identify key themes and areas of agreement

Kick-Off - Three Rounds of Discussion on December 15, 2020

- **Access to Capital** – facilitated by Heidi Pickman with CAMEO ([preliminary summary](#))
- **Workforce and Quality Jobs** – facilitated by Toni Symonds with JEDE ([preliminary summary](#))
- **Technical Assistance** – facilitated by Tracy Stanhoff with the American Indian Chamber of Commerce of CA ([preliminary summary](#))
- **Other Key Collaborators** – Bianca Blomquist with Small Business Majority and Mauricio Aguilar with JEDE

JEDE 2021 BILL PACKAGE

1. **AB 1571 - Regulatory Fairness**: Implements a *moratorium on new regulations* that affect small businesses located in a disaster area, unless OES certifies that the regulation is necessary to address the emergency and the proposed rule provides adequate notice and implementation time.
2. **AB 1572 - Saleable Tax Credit to Raise Investment Cash**: Establishes a state *New Market Tax Credit* to assist community development entities raise capital to invest in small businesses in low-income communities.
3. **AB 1573 - Local Economic Development Support**: Establishes the *California Business Retention Program*, within GO-Biz, for the purpose of supporting local economic recovery efforts. The program leverages existing state resources to better align with state's economic development and small business technical assistance providers.
4. **AB 1574 - Procurement Improvements**: Implements the Small Business Contract Act of 2021, which:
 - Updates the role of the Small Business Advocate at the Department of Veterans Affairs
 - Strengthens the "commercially useful function" requirement of state contracting.
 - Expands the Target Area Contract Preference Act to include an additional \$50,000 for workforce preferences.
 - Adds "limited contracting small business enterprise" and "new small business enterprise" to Small Business Contracting Act to facilitate a deeper conversation with state contracting agencies.

ASSEMBLY INTRODUCED 1561 BILLS (CONTINUED)

- [AB 2 \(Fong\)](#) Regulatory Reform
- [AB 11 \(Ward\)](#) Regional Climate Change Coordinating Groups
- [AB 14 \(Aguilar-Curry\)](#) Broadband Services and the California Advanced Services Fund ****
- [AB 19 \(Santiago, Chiu, and Kalra\)](#) Unemployment Benefits
- [AB 25 \(Kiley\)](#) Worker Classification
- [AB 39 \(Chau\)](#) California-China Climate Institute
- [AB 41 \(Wood\)](#) Broadband Infrastructure
- [AB 51 \(Quirk\)](#) Regional Climate Adaption Planning Groups
- [AB 55 \(Boerner-Horvath\)](#) Employment and telecommuting
- [AB 62 \(Gray\)](#) COVID-19 Compliance Tax Credit
- [AB 65 \(Low\)](#) CA Universal Income Program
- [AB 67 \(Petrie-Norris\)](#) Economic Analysis of Rising Sea Levels
- [AB 91 \(Valladares\)](#) Small Business and Minimum Franchise Fee
- [AB 96 \(O'Donnell\)](#) Extension of Clean Truck Retrofit Loss Reserve Program
- [AB 99 \(Irwin\)](#) Longitudinal Data System for the California Cradle-to-Career Data
- [AB 102 \(Holden\)](#) College and Career Access Pathways Partnerships
- [AB 103 \(Holden\)](#) College and Career Access Pathway Partnerships
- [AB 106 \(Salas\)](#) Regions Rise Grant Program

ASSEMBLY BILLS (CONTINUED)

- [AB 108 \(Cunningham\)](#) Governor's Emergency Orders and Legislative Approval
- [AB 115 \(Bloom\)](#) Commercial Zoning and Housing Development
- [AB 125 \(R Rivas\)](#) Food and Agriculture, Climate and COVID-19 Recovery
- [AB 230 \(Voepel\)](#) Employment: flexible work schedules
- [AB 231 \(Nguyen\)](#) Worker Classification manicurists.
- [AB 240 \(Rodriguez\)](#) Local Health Department Workforce Assessment
- [AB 247 \(Ramos\)](#) Definition of Small Business under the Procurement and Contract Act
- [AB 249 \(Choi\)](#) Income tax credits: research credit
- [AB 259 \(Davies\)](#) Protecting Our Restaurants Tax Credit
- [AB 264 \(Voepel\)](#) California Competes tax credit: pharmaceutical companies
- [AB 284 \(R Rivas\)](#) Climate: Natural & Working Lands
- [AB 286 \(Gonzales\)](#) Food Delivery Platforms
- [AB 299 \(Villapudua\)](#) Apprenticeship Grant Program
- [AB 300 \(Kiely\)](#) Ed Innovation & Planning Commission
- [AB 310 \(Santiago\)](#) Public Banks
- [AB 336 \(Villapudua\)](#) Enhanced infrastructure Financing Districts
- [AB 349 \(Holden\)](#) CalTRANS Contracting Underrepresented Groups
- [AB 365 \(O'Donnell\)](#) Sales and Use Tax Exclusion for Zero-emission Drayage Trucks
- [AB 386 \(Cooper\)](#) Public Employees' Retirement Fund: investments
- [AB 393 \(Reyes\)](#) Early Childhood Development
- [AB 412 \(Reyes\)](#) CA Commission on Human Rights
- [AB 416 \(Kalra\)](#) CA Deforestation-Free Procurement Act

ASSEMBLY BILLS (CONTINUED)

- [AB 417 \(McCarty\)](#) Rising Scholars Network: Justice-involved Students
- [AB 421 \(Ward\)](#) Community Colleges: Career Development & College Preparation
- [AB 461 \(Villapudua\)](#) CalWORKs and self-employment
- [AB 464 \(Mullin\)](#) Enhanced Infrastructure Financing Districts: allowable facilities, projects, and costs
- [AB 475 \(Muratsuchi\)](#) GO-BIZ and Trade Office: Japan
- [AB 476 \(Mullin\)](#) San Francisco Bay Area Contracting by County Transportation Authorities
- [AB 498 \(Quirk-Silva\)](#) Computer Science Teacher Access Initiative
- [AB 513 \(Bigelow\)](#) Telecommuting Employees
- [AB 525 \(Chiu\)](#) Offshore Wind Generation
- [AB 530 \(Fong\)](#) PAGA Filing Requirements
- [AB 537 \(Quirk\)](#) Local Permitting: Broadband Projects
- [AB 538 \(Muratsuchi\)](#) California Aerospace Commission
- [AB 545 \(Quirk\)](#) UC Tax Expenditure study
- [AB 548 \(Carrillo\)](#) Employment Training Panel (spot)
- [AB 564 \(L Gonzalez\)](#) Biodiversity Protection and Restoration Act
- [AB 565 \(Lackey\)](#) Interagency Committee on Apprenticeship – Subcommittee on homeless youth and foster youth.
- [AB 572 \(Kalra\)](#) Minimum Wage Violations (spot)
- [AB 593 \(Petrie-Norris\)](#) NOL and Tax Credit Limitation for Life Science Taxpayers
- [AB 628 \(E Garcia\)](#) Breaking Barriers to Employment
- [630 \(Arambula\)](#) Online Jobs and Economic Support Resource Grant Program
- [AB 632 \(Ramos\)](#) Minimum Franchise Tax: Small Business
- [AB 643 \(Ramos\)](#) Apprenticeship programs HS Career Fairs
- [AB 649 \(Bennett\)](#) CalRecycle GHG Reduction Revolving Loan Program

ASSEMBLY BILLS (CONTINUED)

- [AB 654 \(Reyes\)](#) COVID-19 Workplace Exposure Notification
- [AB 664 \(Bigelow\)](#) Annual Corporation Tax and Small Businesses
- [AB 666 \(Chiu\)](#) Apprenticeship (spot)
- [AB 680 \(Burke\)](#) GHG Reduction Fund and California Just Transition Act
- [AB 701 \(Gonzalez\)](#) Warehouse Distribution Centers
- [AB 708 \(E Garcia\)](#) Tax Conformity with Federal Consolidated Appropriations Act, 2021.
- [AB 726 \(E Garcia\)](#) Capital Investment Incentive
- [AB 743 \(Ramos\)](#) Interrupted Business Claims
- [AB 778 \(E Garcia\)](#) Purchase of CA-grown agricultural products.
- [AB 782 \(Cooper\)](#) Congo Child Labor Act of 2021
- [AB 794 \(Carrillo\)](#) Air Pollution: Financial Incentive Programs
- [AB 806 \(Chen\)](#) Suspension of the Minimum Franchise Tax
- [AB 820 \(Cooley\)](#) Capital Access Loan Program
- [AB 839 \(O'Donnell\)](#) CA Career Technical Education Incentive Grant Program
- [AB 842 \(C Garcia\)](#) Single-Use Plastic Packaging
- [AB 844 \(Grayson\)](#) Green Empowerment Zone: Contra Costa
- [AB 869 \(Bloom\)](#) State funds: investments
- [AB 881 \(Gonzalez\)](#) Plastic Waste: Diversion: Export
- [AB 897 \(Mullin\)](#) Regional Climate Adaptation Action Plans
- [AB 904 \(Grayson\)](#) Manufacturing Exemption \$5 million equipment tax credit cap
- [AB 906 \(Carrillo\)](#) Tax Exemptions for Zero-Emission Trucks
- [AB 915 \(Chiu\)](#) Small and Disadvantaged Business Enterprises
- [AB 927 \(Medina\)](#) Community College Baccalaureate degree
- [AB 932 \(Levine\)](#) Cradle-to-Career Grant Program
- [AB 936 \(Chen\)](#) Conformity Federal Consolidated Appropriations Act

ASSEMBLY BILLS (CONTINUED)

- [AB 949 \(Mullin\)](#) Community College Life Science Incubators
- [AB 976 \(Luz Rivas\)](#) Resilient Economies and Community Health Pilot Program
- [AB 983 \(Eduardo Garcia\)](#) Public Contracts: Community Workforce Agreements
- [AB 994 \(Patterson\)](#) Exclusion: California Small Business COVID-19 Relief Grant Program
- [AB 1026 \(Smith\)](#) Business Licenses: Veterans
- [AB 1033 \(Bauer-Kahan\)](#) Small Employer Family Leave Pilot Program
- [AB 1036 \(Eduardo Garcia\)](#) California Manufacturing Emergency Preparedness Act of 2021
- [AB 1041 \(Wicks\)](#) Leave
- [AB 1044 \(Rodriguez\)](#) Governor Emergency Powers Manufacturing
- [AB 1074 \(Lorena Gonzalez\)](#) Rehiring and Retention of Displaced Workers
- [AB 1106 \(Cervantes and Reyes\)](#) Employment Training Panel: Employment training needs
- [AB 1110 \(Robert Rivas\)](#) Climate Catalyst Revolving Loan Fund Program
- [AB 1171 \(Arambula\)](#) California Partnership for the San Joaquin Valley
- [AB 1192 \(Kalra\)](#) High-Road Employer Certification Program (spot)
- [AB 1244 \(Mathis\)](#) California Disabled Veteran Business Enterprise Program
- [AB 1273 \(Rodriguez\)](#) Interagency Advisory Committee on Apprenticeship
- [AB 1297 \(Holden\)](#) California Infrastructure and Economic Development Bank
- [AB 1319 \(Gonzalez\)](#) Worker Cooperatives (spot)
- [ACR 26 \(Nazarian\)](#) Republic of Turkey

ASSEMBLY BILLS (CONTINUED)

- [AB 1323 \(Chiu\)](#) California Infrastructure and Economic Development Bank (spot)
- [AB 1380 \(Fong\)](#) Conformity Consolidated Appropriations Act 2021
- [AB 1384 \(Gabriel\)](#) Resiliency Through Adaptation, Economic Vitality, and Equity Act of 2022
- [AB 1386 \(Cunningham\)](#) License fees: military partners and spouses
- [AB 1389 \(Reyes\)](#) Alternative and Renewable Fuel and Vehicle Technology Program (spot)
- [AB 1396 \(Levine\)](#) Skilled Workforce (spot)
- [AB 1397 \(Eduardo Garcia\)](#) Public Contracts and California Lithium Economy Act
- [AB 1432 \(Low\)](#) CA Online Community College
- [AB 1433 \(Irwin\)](#) Worker Classification: Trainees in a Technology Educational Program
- [AB 1447 \(Cooley\)](#) The Rural California Infrastructure Act at the IBank
- [AB 1453 \(Muratsuchi\)](#) Just Transition Advisory Commission and Plan
- [AB 1491 \(McCarty\)](#) Equity in Public Postsecondary Education (spot)
- [AB 1492 \(Bloom\)](#) Depart Housing and Community Development - High-opportunity Areas
- [AB 1554 \(Ramos\)](#) California Career Technical Education Incentive Grant Program (spot)
- [AB 1561 \(Labor Committee\)](#) Worker Classification
- [AB 1571 \(JEDE\)](#) Regulatory Fairness
- [AB 1572 \(JEDE\)](#) New Market Tax Credit
- [AB 1573 \(JEDE\)](#) Small Business Retention
- [AB 1574 \(JEDE\)](#) Small Business and DVBE Contracting

SENATE INTRO 813 BILLS

- [SB 3 \(Caballero and Bradford\)](#) COVID-19 Tenant Protections
- [SB 4 \(Gonzalez\)](#) Broadband Infrastructure Finance
- [SB 7 \(Atkins\)](#) Jobs and Economic Improvement Through Environmental Leadership Act
- [SB 18 \(Skinner\)](#) Green Hydrogen
- [SB 22 \(Glazer\)](#) K-12 and College Bond
- [SB 49 \(Umberg\)](#) COVID Business Fee Credit
- [SB 61 \(Hurtado\)](#) Workforce Training and Supportive Services
- [SB 62 \(Durazo\)](#) Garment Manufacturing Employees
- [SB 74 \(Borgras\)](#) Keep America Working Act
- [SB 83 \(Allen\)](#) IBank Sea Level Rise Revolving Loan Program
- [SB 99 \(Dodd\)](#) Community Energy Resilience Act of 2021
- [SB 260 \(Wiener\)](#) Climate Corporate Accountability Act
- [SB 285 \(McGuire\)](#) CA Tourism Recovery Act
- [SB 288 \(Jones\)](#) Conversions: Foreign Corporation or Other Foreign Business Entity
- [SB 313 \(Durazo\)](#) CA Competes Tax Credit
- [SB 359 \(Caballero\)](#) Climate change: natural and working lands (spot)
- [SB 378 \(Gonzalez\)](#) Broadband Microtrenching Permits
- [SB 424 \(Durazo\)](#) Hire Tax Credit Homelessness
- [SB 430 \(Borgeas\)](#) Small Businesses - reduction of civil penalties
- [SB 439 \(Archuleta\)](#) Renewable hydrogen
- [SB 449 \(Stern\)](#) Climate-related Financial Risk

SENATE BILLS (CONTINUED)

- [SB 471 \(Hueso\)](#) The Racial and Economic Equity Bond Act of 2021 (spot)
- [SB 472 \(Caballero\)](#) Social Innovation Financing Program
- [SB 543 \(Limón\)](#) Designation of a Nonprofit Liaison
- [SB 551 \(Stern\)](#) California Electric Vehicle Authority
- [SB 553 \(Limón\)](#) California Work Opportunity Tax Credit (spot)
- [SB 558 \(Caballero\)](#) COVID-19 Farmworker Wage Replacement (spot)
- [SB 573 \(Melendez\)](#) Veterans' Employment Services
- [SB 595 \(Caballero\)](#) Climate Change Adaptation: Workforce Development Retraining (spot)
- [SB 596 \(Becker\)](#) Greenhouse gases: cement and concrete production (spot)
- [SB 606 \(Gonzalez\)](#) Employer Retaliation – Rebuttable Presumption COVID-19
- [SB 625 \(Caballero\)](#) CDFI Grant Program
- [SB 655 \(Bradford\)](#) Insurers Diversity
- [SB 674 \(Durazo\)](#) Public Contracts Workforce Development
- [SB 684 \(Hueso\)](#) California Border Commission
- [SB 690 \(Wilk\)](#) California Aerospace Industry (spot)
- [SB 700 \(Durazo\)](#) Status Report - Green Collar Jobs Council
- [SB 713 \(Rubio\)](#) Insurer investments
- [SB 721 \(Hueso\)](#) August 9 as California Farmworker Day
- [SB 753 \(Roth\)](#) California Workforce Development Board and Apprenticeships

SENATE BILLS (FINAL)

- [SB 755 \(Roth\)](#) Income Tax Returns Occupational Data
- [SB 771 \(Becker\)](#) Sales and Use Tax Exemption for Zero Emissions Vehicles
- [SB 779 \(Becker\)](#) California Workforce Innovation Opportunity Act: Earn and Learn Programs
- [SB 780 \(Cortese\)](#) Public Investment Authorities
- [SB 805 \(Rubio\)](#) Independent Contractors: Small Nonprofit Performing Arts Organizations
- [SB 808 \(Roth\)](#) GO-Biz: Business Resources



CLOSING THOUGHTS

Links to Useful Information



Supporting SMALL
strengthens us ALL:
#ShopSafeShopLocal

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 GO-Biz OZ Updates: <https://opzones.ca.gov/sign-up/>
- 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
- Submit questions regarding the Opportunity Zones and Promise Zones: zones@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>