



SMALL BUSINESS ROUNDTABLE

DECEMBER 17, 2020 CONVENING

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



WELCOME AND OVERVIEW

Agenda Item I

AGENDA

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

NEW PEOPLE JOINING THE CONVERSATION

- Maral Hernández, San Bernardino County Executive Office (Maral.Hernandez@cao.sbcounty.gov)
- Jennifer De La Mora, Economic Development Agency of San Bernardino County (Jennifer.DeLaMora@eda.sbcounty.gov)
- Stewart Knox, CalBrite Community College (stewart@calbright.org)
- Kelsey Lyles, Greenlining Institute (kelsey1@greenlining.org)
- Brianna Wells, Greenlining Institute (brianna.wells@greenlining.org)
- Veronica Cruz (veronica@cruzstrategies.com)



Supporting SMALL
strengthens us ALL:
#ShopSafeShopLocal

- GO-Biz is hosting Digital Pop-Up Festivals, E-Commerce Boot Camps, and Online Resources
<https://business.ca.gov/advantages/small-business-innovation-and-entrepreneurship/get-digital-ca/>
- Many organizations are hosting or helping to promote Holiday Gift Guides, including [California Capital](#), [Small Business Majority](#), [REDF](#), and the [Inland Empire Chamber of Commerce](#).

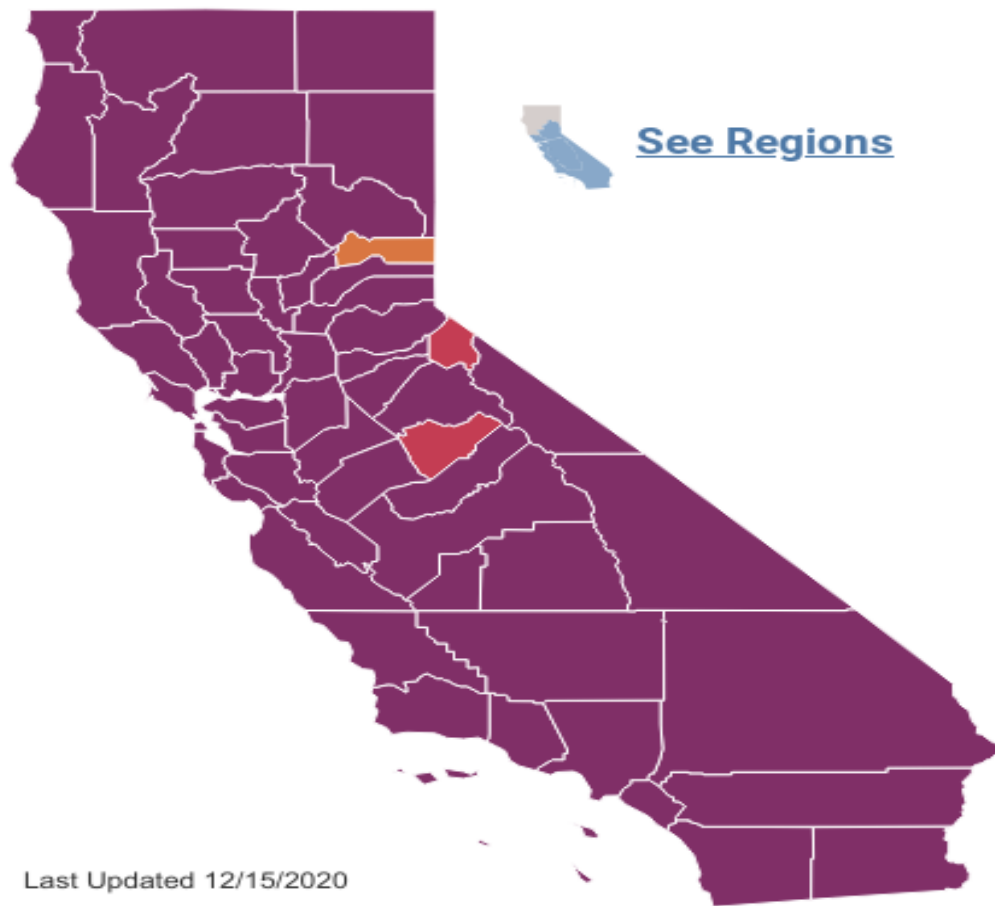
<https://business.ca.gov/shopsafeshoplocal/calosba-media-toolkit/>



ECONOMIC DATA AND THE BLUEPRINT FOR RECOVERY

Agenda Item II

TIMELY CHARTS



STATEWIDE METRICS

63.9 New COVID-19 positive cases per day per 100K

11.3% Positivity rate (7-day average)

4.1% ICU availability

Find a county

Click on the map for updated metrics

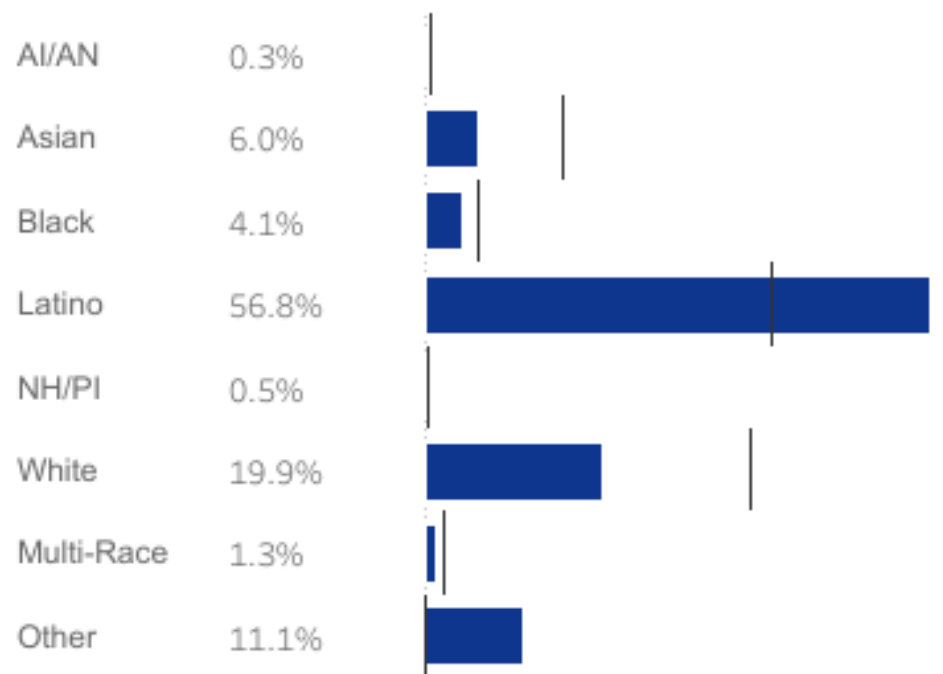
COUNTY RISK LEVELS

	Counties	Population	
Widespread	55	40,107,133	99.9%
Substantial	2	18,912	0.0%
Moderate	1	3,115	0.0%

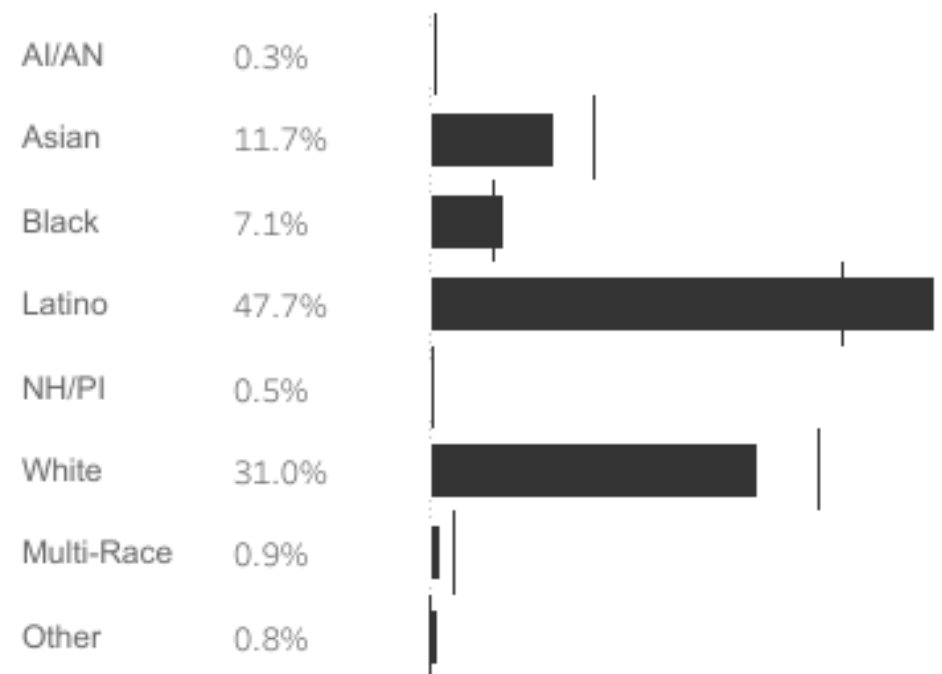
Last Updated 12/15/2020

COVID-19 RACE AND ETHNICITY DATA

Positive cases by ethnicity



Total deaths by ethnicity



DATA POINTS

FEDERAL Unemployment – 6.9% (November 2020)

- ❖ US nonfarm payroll employment increased by 245,000 in November 2020, and the unemployment rate fell to 6.7% (down 8% since the high in April 2020).
- ❖ Notable job gains occurred over the month in transportation and warehousing, professional and business services, and health care industry sectors.
- ❖ The November 2020 unemployment rates: adult women (6.1%), adult men (6.7%), teenagers (14.0%), Whites (5.9%), Blacks (10.3%), Asians (6.7%), and Hispanics (8.4%).

CALIFORNIA Unemployment – 9.3% (October 2020)

- ❖ Total nonfarm employment in CA for October 2020 was 17.5 million, reflecting an increase of 888,600 jobs from the prior month.
- ❖ CA reported over 1.8 million unemployed individuals for the month of October 2020.
- ❖ Between March and April 2020, CA lost 2.6 million jobs.
- ❖ 36,426 initial UI and Pandemic Unemployment Assistance (PUA) claims were filed for the week ending December 5.
- ❖ 10.3 million initial UI and PAU claims were filed between March 14 and week of December 5, 2020.
- ❖ \$107 billion paid to out of work Californians since start of pandemic.

REIMAGINE MAIN STREET

(SURVEY OF 8,328 OWNERS – 49.9% OF THE OWNERS WERE POC)

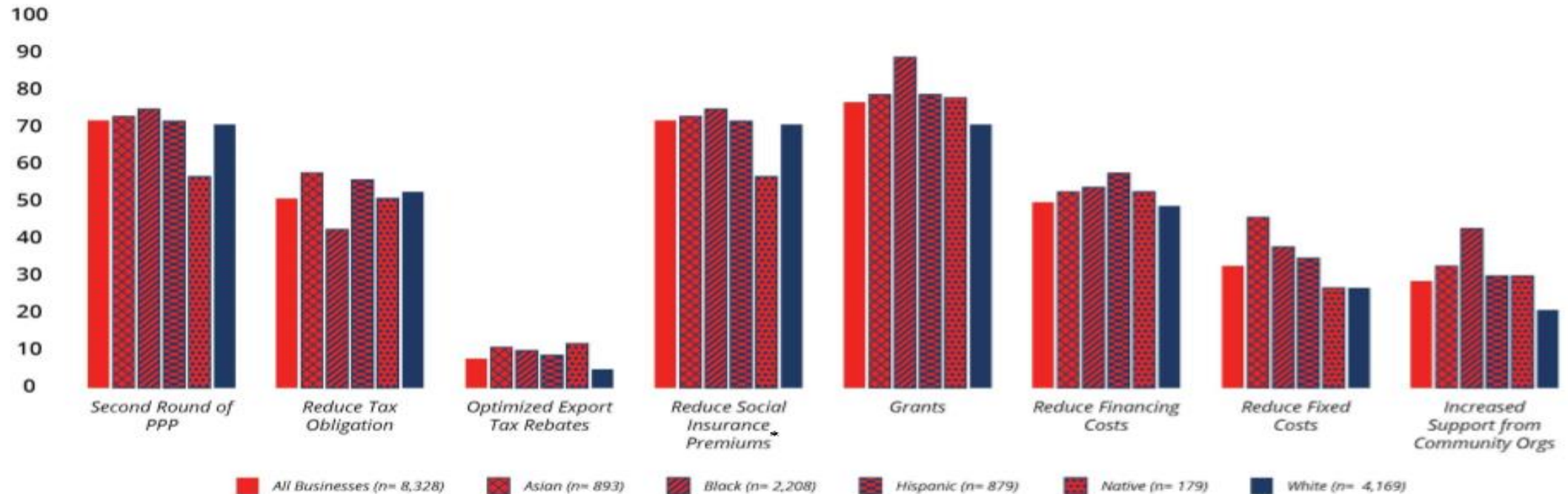
- **Small businesses have been hard hit to date:** 8 in 10 small business owners surveyed reported negative effects from the pandemic, more than half of respondents have experienced revenue declines of more than 25%, and 37% are not operating at full capacity, with an average of almost 10% closed.
- **It's going to get worse for business owners and their employees:** ~10% of small business respondents expect to close permanently in next 6 months. 44% of employer businesses that responded have already shed jobs and 45% expect more job losses to come.
- **Small businesses need cash:** As expected, most respondents want relief in the form of grants or another PPP loan. More than one-third of small businesses in the survey expect to borrow to address COVID-induced cash flow constraints, making it imperative to ensure liquidity in credit markets, especially for relatively small-dollar loans.

REIMAGINE MAIN STREET

CHRIS LANDRIGAN CHRIS@PUBLICPRIVATESTRATEGIES.COM

Business Owners Want Relief, With Varying Priorities

Preferences Among Relief Options Presented
% of respondents



ECONOMIC IMPACT OF COVID-19 ON CALIFORNIA LATINOS

The California Latino Economic Institute released a new policy brief that provides new data on the disparate and growing negative impact of COVID-19 on Latinos in California. The briefing was conducted in partnership with Mindy Romero of the Center for Inclusive Democracy (CID) at the USC Price School of Public Policy. <http://www.californialei.org/covid> The announcement identified the following findings from the briefing:

- Latinos are overrepresented among CA's COVID-19 cases and deaths—59% of cases and 49% of the state's deaths. This overrepresentation has increased since April 2020.
- Nearly 12% of California Latinos are currently uninsured—double the rate of other groups.
- Latino unemployment rates are double those from the same time last year.
- Nearly two-thirds of California Latinos report experiencing a loss of employment income since March 2020.
- Over 40% of Latinos currently report that it is somewhat or very difficult to pay their usual household expenses in the last 7 days.
- Over three-quarters of California small business owners report that COVID-19 has had a moderate to large effect on their businesses.



UPDATES ON ECONOMIC RECOVERY PROGRAMS AND INITIATIVES

Agenda Item III



FOCUS AREAS

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

SPEAKERS — AGENDA ITEM III

- Toni Symonds, JEDE Committee, will facilitate a discussion.
- Stewart Knox with Calbright Community College
- Lisa Countryman-Quiroz with Jewish Vocation Services
- Dennis Sonney with CMTC
- Jai Sharma with the Silicon Valley Consulting Group
- Claudia Viek with Invest in Women Entrepreneurs and the California Women's Business Center Network

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

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.



Who We'll Serve (Excerpt from <https://www.calbright.org/about/>)

The new college is designed to meet the needs of two distinct groups: working adults and hiring managers.

In California, there are more than 8 million “stranded” workers, that is, people who describe themselves as stuck in “go nowhere” jobs. Additionally, 25% of working adults living in poverty already have some sort of experience with college.

We recognize that in order to place people into better paying jobs, we also need the help of employers.

We have connected with hiring managers and working adults all over California to design a college that serves both sides. For all of the millions of underserved and ignored Californians, we hear you, and we're here for you.

SB AND DVBE PROCUREMENT OUTREACH

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*)

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; 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.

TRACKING SMALL BUSINESS GRANTS AND TAX RELIEF

- ❑ \$500 million Small Business Grant Program. Qualifying small businesses and nonprofits can receive awards of up to \$25,000. <https://business.ca.gov/osba-signup/>
- ❑ \$100 million Main Street Tax Credit <https://www.ftb.ca.gov/file/business/credits/small-business-hiring-credit.html>
- ❑ 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/>
- ❑ \$100 million new capitalization for the Small Business Disaster Loan Guarantee Program. <https://www.ibank.ca.gov/small-business/disaster-relief/>

JVS

Bookkeeping Services for Small Businesses and Entrepreneurs

Need bookkeeping support for your business?

Looking for help prepping your books tax season?



Are you a small businesses owner who needs project-based or part-time bookkeeping support? Do you need some help getting your books in order but don't want to pay huge fees? We can help!

We've developed an innovative program to support small businesses and entrepreneurs with their bookkeeping and accounting needs, while also providing hands-on learning opportunities for newly trained bookkeepers from underserved communities. In our model, an experienced Accounting Manager who specializes in assisting small businesses will work with you to understand and meet your business needs, while our bookkeeping students shadow and support the Accounting Manager and build necessary hands-on skills for their future.

Fees are calibrated on a sliding scale. For as little as \$100 per project, you'll get:

- An initial meeting with a seasoned Accounting Manager to assess the needs of your business
- A reviewed and reconciled set of books
- A 6-month cash-flow forecast
- Support in preparing backup documentation for PPP forgiveness application (as applicable)
- The chance to support a newly-trained bookkeeper in building the skills they need to get their dream job

This program offers the opportunity to meet your business needs while supporting someone looking to build their future. *Let's build back better, together. Fill out [this form](#) to let us know you're interested.*

Eligibility

- In business less than 5 years
- Annual revenue of less than \$500,000/year
- Priority given to minority-owned and women-owned businesses

More Information

jvs.org/bookkeeping

NEW PROGRAMS APPROVED AND STILL BEING DEVELOPED

- \$500 million Small Business Grant Program for small businesses and nonprofits.
 - RFP was issued on December
- \$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.
- Are there other programs we should be tracking?



2021 FEDERAL AND STATE PUBLIC POLICY ISSUES

Agenda Item IV

FOCUS AREAS

- ❑ Public Policy Priorities for 2021
- ❑ Presidential Transition Memos
- ❑ Recommendations from Reports

Photo by Ivan Bertolazzi from Pexels



THINK
ABOUT
THINGS
DIFFERENTLY

SPEAKERS — AGENDA ITEM IV

- Toni Symonds, JEDE Committee, will facilitate this discussion.
- Manie Grewal, REDF
- Tracy Stanhoff with the American Indian Chamber of Commerce of CA
- Bianca Blomquist with Small Business Majority
- Heidi Pickman with CAMEO

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

WHAT IS GOING ON WORKSHOPS

([HTTPS://AJED.ASSEMBLY.CA.GOV/CONTENT/WHATS-GOING-MINI-WORKSHOPS](https://ajed.assembly.ca.gov/content/whats-going-mini-workshops))

Three Rounds of Discussion on December 15, 2020

- Access to Capital – facilitated by Heidi Pickman with CAMEO
- Workforce and Quality Jobs – facilitated by Toni Symonds with JEDE
- Technical Assistance – facilitated by Tracy Stanhoff with the American Indian Chamber of Commerce of CA
- Other Key Collaborators – Bianca Blomquist with Small Business Majority and Ben Warheit with JEDE

Project Goal

- Develop a roadmap to aid public and private stakeholder groups in identifying major public and private proposals and understanding methods for follow-up.

Methodology

- Step One: Completion of an Excel document that identifies findings and recommendations
- Step Two: Identify key themes and areas of agreement

ONGOING PROJECTS

- ❑ Manie Grewal, REDF, will discuss the policy recommendation memo they sent to the President Elect's transition team advocating for the inclusion of employment social enterprises as part of a national economic recovery strategy.
 - ❑ Document: https://redf.org/wp-content/uploads/REDF-Policy-Memo_FINAL.pdf
 - ❑ Contact: mgrewal@redf.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.
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
- ❑ CAMEO is organizing around the US Presidential Executive Order 13950. hpickman@cameonetwork.org

2021 LEGISLATIVE CALENDARS ARE AVAILABLE

January 4 – Legislature reconvenes

January 10 – Budget must be submitted by Governor

January 22 – Last day to submit bill requests to the Office of Legislative Counsel

February 19 – Last day for bills to be introduced

March 25 to April 5 – Spring Recess

April 30 – Last day for policy committees to report bills to the fiscal committee

May 7 – Last day for policy committees to report non-fiscal bills to the floor

May 25 – Last day for fiscal committees to report fiscal bills to the floor

ASSEMBLY BILL INTRODUCTIONS

Assembly - Introduced 109 bills

- AB 2 (Fong) Regulatory Reform
- AB 11 (Ward) Regional Climate Change Coordinating Groups
- AB 14 (Aguiar-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

SENATE BILL INTRODUCTION

Senate - Introduced 84 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 Waivers
- SB 61 (Hurtado) Workforce Training and Supportive Services
- SB 62 (Durazo) Garment Manufacturing Employees
- SB 74 (Borghas) Keep America Working Act



CLOSING THOUGHTS

Links to Useful Information

Holiday Gift
Guides hosted by
California Capital,
Small Business
Majority, REDF,
and the Inland
Empire Chamber
of Commerce.



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>