



Employment Training Panel (ETP)

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Employment Training Panel

Moderator:
Emily Tjaden Sylvester, AMP SoCal

USCPrice

Sol Price School of Public Policy
Center for Economic Development

February 24, 2017; 11:30 am – 12:00 pm

About AMP SoCal

- The Advanced Manufacturing Partnership for Southern California (AMP SoCal) is a collaboration of more than 100 different organizations.
- AMP SoCal is led by the Price School - USC Center for Economic Development.
- Its goal is to strengthen the industrial ecosystem for aerospace and defense manufacturers.
- AMP SoCal represents manufacturing within the 10-county Southern County region.
- It is a federally designated “manufacturing community” within the Investing in Manufacturing Communities Partnership (IMCP) initiative.

Logistics

- All audio will stream through your computer speakers.
- Please submit your questions anytime throughout the presentation in the chat box, located on the bottom of your screen.
- Webinar recording and slides are posted within one week of the event.

www.ampsocal.usc.edu

Today's Speaker



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Employment Training Panel



What is ETP?

ETP is a State agency that uses a **pay-for-performance contract** to reimburse the costs for employer-customized job skills training.

ETP does not:

- provide training
- mandate training topics for the employer
- select or approve trainers



Pay-for-Performance

ETP funding is not a grant, it is a performance-based contract by which training funds must be earned.

To earn funding, **trainees** must:

- complete at least 8 hours of training
- Work full-time during a post-training, employment retention period, usually 90 days
- Earn an **ETP minimum wage** during retention



Employer Eligibility

To be eligible for funding reimbursement, employers must do the following:

- Be subject to the Unemployment Insurance contribution and the Employment Training Tax
- Have one or more Full-Time Employees >35 Hours Per Week
- Use a **California Employer Account Number** to report wages

EDD Employment Development Department
State of California

QUARTERLY CONTRIBUTION RETURN AND REPORT OF WAGES

REMINDER: File your DE 9 and DE 9C together.

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ETP Funding

The **Employment Training Tax** is collected as part of the Unemployment Insurance Tax (DE9) paid by employers for each employee in California.

The funding is aggregated into the **Employment Training Fund** which is administered by the **Employment Training Panel**.

E. EMPLOYMENT TRAINING TAX (ETT)	
(E1) ETT Rate %	(E2) ETT CONTRIBUTIONS
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Contractor Categories

- 1. Single Employer** – A private, for-profit employer that is training current employees, or newly-hired individuals.
- 2. Group of Employers** – Includes trade or professional organizations, chambers of commerce, joint apprenticeship training committees and economic development corporations.
- 3. Training Agency** – Including community colleges and universities, university foundations, regional occupational programs, private schools and agencies.
- 4. Workforce Development Board (WDB) or**
- 5. Workforce Innovation and Opportunity Act (WIOA) grant recipient or administrative entities.**

These last four categories are known as Multiple Employer Contractors.



Priority Industries

ETP identifies Priority Industries as part of its annual strategic planning process. These industries are provided increased reimbursement and under limited circumstances, lower minimum wages.

The current Priority Industries are:

- **Manufacturing/Food Production**
- **Biotechnology & Life Sciences**
- **Information Technology Services**
- **Multimedia/Entertainment**
- **Goods Movement & Transportation Logistics**
- **Agriculture**
- **Allied Healthcare**
- **Construction**
- **Green / Clean Technologies**
- **Professional, Scientific or Technical Services (Some)**

Retraining Requirements

Employers training incumbent workers must:

- Face out-of-state competition (OSC) or meet alternate criteria under our **Special Employment Training** framework.



Employers must also demonstrate

- the need for training
- that the funding is *supplemental and not supplanting* the company's own training funds
- their In-Kind Contribution and
- that they provide Secure Jobs (low turnover)

Out-of-State Competition

For all standard retraining projects, employers must demonstrate that they face OSC.

- Companies primarily engaged in manufacturing and related industries automatically meet OSC requirements.
- ETP has also deemed certain North American Industrial Classification System (NAICS) codes, such as Engineering and Life Science Research, to be facing OSC.

A company may also face OSC if you provide:

1. a service or product to customers located **outside** of the state; or
2. if you compete in-state with vendors out-of-state who are taking your customers, with no in-state facilities.

Training Delivery Methods

Classroom
Laboratory
Productive Laboratory
Electronic Delivery (E-learning)
Computer-Based Training (CBT)



Trainer to Trainee Ratios

Classroom 1:20
Laboratory 1:20
Productive Laboratory 1:1, 1:2 (no more than 1:3)
Electronic Delivery (E-learning) 1:20
Computer-Based Training (CBT)

Training We Don't Fund

- Legally-mandated training e.g. Sexual Harassment or Labor Law
- OSHA (Except for OSHA 10/30) Some Hazmat & Hazwopper
- Company Orientation (Onboarding)
- Continuing Education Units for professionals
- Professional License (Doctors and Lawyers)
- General Safety (basic first aid)

Who Can Be Trained?

Retrainees – Incumbent workers trained and retained with their existing employer.

Job-Creation Retrainees – Workers hired within the term of the contract or no more than 90 days prior-to the term start date. (Training begins after hire)

New-Hire Trainee – unemployed, trained and placed in a job (usually through a training agency)

Special Employment Training (SET)

Funds are available for employers that do not meet requirements for standard reimbursement including training of:

- Frontline workers not facing Out-of-State Competition
- Frontline workers in High Unemployment Areas
- Seasonal frontline workers in crop-related industries
- Small Business Owners, with no more than 9 full-time employees
- Workers with Multiple Barriers to Full-Time Employment

Initiatives

ETP promotes training initiatives prioritized as critical to supporting the citizens of California.

Current ETP Initiatives include:

- Veterans Training
- At-Risk Youth
- Ex-Offender
- Individuals with Disabilities

If you are including any or all of these populations in your training, there may be additional support or flexibilities allowed in your agreement.

Who Can do the Training?

And how much will it cost?



The cost of training is the cost of training

Employers decide how to spend their funds. you may select any combination of internal or external training provider.

- Internal trainer – foreman, lead
- External paid vendor in California
- Training Agency (community college or school)

Trainers should be California-based.

Sample Curriculum

Retrainees may receive up to 200 hours of training.
Job-Creation Retrainees & New Hires may receive up to
260 hours of training.

Exhibit B: Menu Curriculum

Class/Lab Hours

8 -200

Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- Data Stimulation
- ISO 9000
- Kaizen Event Training

COMPUTER SKILLS

- Crosspoint Software
- Data Madel/Authoring

MANUFACTURING SKILLS

- Advanced Engineering Skills
- Blueprint Reading

BUSINESS SKILLS

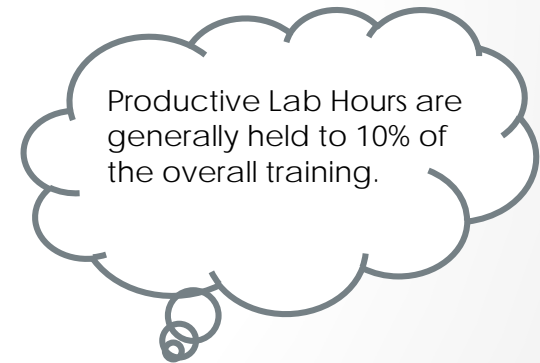
- Business Presentation Skills
- Project/Time Management

Productive Lab

0-20

MANUFACTURING SKILLS

- Material Handling
- Operating Production Equipment



Funding Caps

The Panel establishes funding priorities every Fiscal Year. The current Project Caps are:

Contract Type	2016/17 Caps *
Single Employer Over 100 Employees	\$750 K
Single Employer Small Business	\$50 K
Multiple Employer (MEC)	\$950 K
MEC Apprentice Training-per sponsor	\$450 K

First time MEC is limited to \$200K

* Subject to Panel Approval or Modification



Wage Requirement

Effective for contracts approved on or after January 1, 2017 and before December 31, 2017.

Category	New Hire (Minimum Wage After Retention)	Retrainee (Minimum Wage After Retention)
Standard ETP Minimum Wage	\$13.22 - \$14.69	\$16.16 - \$17.63
High Unemployment Area (with Wage Waiver)	\$10.50 - \$11.02	\$12.12 - \$13.22
SET Frontline Workers without OSC		\$29.38
With HUA Waiver		\$22.04

Health, Dental & Vision benefits may be used to calculate the wages.



Reimbursement

Our **Fixed Fee Reimbursement** rates are intended for training and administrative costs, and vary with the type of training and delivery methods you choose.

Type of Trainee/Proposal	Class/Lab Productive Lab Videoconference E-Learning
Retraining – Standard (100 or more employees)	\$15
Priority Industry/Large Employer (100 or more employees)	\$18
Retraining – Job Creation	\$20
Small Business – Standard (100 or less employees but no more than 250 worldwide). Including businesses served under an Multiple Employer Contractor or entrepreneurial agreement.	\$22
Priority Industry Small Business (100 or less employees but no more than 250 worldwide). Including businesses served under an MEC or entrepreneurial agreement.	\$26

CBT Training \$8 per hour



Questions Or To Get Started

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