



WORKFORCE
Santa Cruz County

GUIDE TO WORKFORCE ASSISTANCE FOR EMPLOYERS IN SANTA CRUZ COUNTY

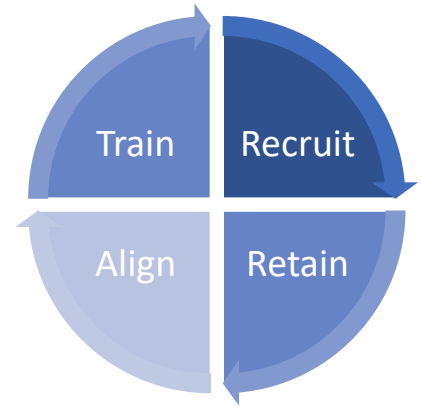


The Guide was prepared by Workforce Santa Cruz County which is a federal Workforce Innovation and Opportunity Act (WIOA) Title I – financially assisted program or activity is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Please contact Workforce Santa Cruz County Business Services with Guide questions at businessrep@workforcescc.com or call (831) 763-8872.

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Introduction to the Guide

Welcome to an informational Guide on workforce business assistance in Santa Cruz County! Employer subsidies and support are available to [train employees](#), [hire new talent](#), [retain employees](#) and [assist with layoffs](#) – most of the resources available in this Guide are provided to the employer at little to no cost. The Guide also provides a directory of workforce contacts who will connect employers to the offerings. Information on [workforce tax credits](#) and how to access [labor market data](#) are also available in the Guide.



Summary of Workforce Services and Benefits for Employers

	Business Support Offering	\$ Benefit to Employer, Max/Person	Value Proposition to Employer	Qualifying Employees
Train	On-the-Job Training	50% of Pay, up to \$10,000	Training subsidy to bridge skill gaps of new hires	WIOA New Hires
	Incumbent Worker Training	\$10,000 w/ Cost Share	Training subsidy to upskill staff, promote employees & backfill vacant positions	Current Employees
	Employment Training Panel	Match per \$1, limit varies	Training subsidy match to upskill any employee	New Hires & Employees
	Registered Apprenticeship	Cost Share varies	Training support & possible grant funding may be available to certify employees	New Hires & Employees
Recruit	Recruitment	Low to No Cost	Assistance with job advertising, hiring events & candidate search	New Hires
	Work Experience Interns	No Cost	Internships with an opportunity to hire intern after assignment completion	College Students or WIOA Youth
	Work-Study	50% of Pay, up to \$3,000	Part-time worker subsidy for financial aid students to work at nonprofits	Financial Aid Students
	SmartHIRE	\$12,000	Hiring subsidy for entry level talent to gain employment	CalWORKS Participants
	Hiring Talent with Disabilities	\$5,000	Hiring & training subsidy for disabled talent to gain employment	DOR New Hires
	Labor Market Information	No Cost	Access to local market-level wages, labor supply and projections	New Hires & Employees
Retain	Small Business Consulting	No Cost	SBDC business advising to retain jobs through recommendations for capital assistance & operational improvements	Current Employees
	Work Sharing	No Cost	Reduce up to 60% of staff's hours & employees can receive partial Unemployment Insurance benefits for the loss in hours	Current Employees
	Incumbent Worker Training	\$10,000 w/ Cost Share	Training subsidy to upskill current employees to avert layoffs	Current Employees
Align	Layoff Services	No Cost	Rapid re-employment services to help affected staff with their next step & lower unemployment claims	Current Employees

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Guide Key Terms

Many workforce programs from various workforce organizations are described in this Guide. Below are their key terms for reference.

Barriers to Employment – Considered priority populations to serve under WIOA and generally describes individuals experiencing special challenges to gaining employment; such as displaced homemakers, low-income, Native Americans, disabilities, over the age of 55, ex-offenders, homeless, in or out of foster care, English language learners, low literacy levels, migrant and seasonal farmworkers, exhausted federal Temporary Assistance for Needy Families (TANF) assistance, single parents or single pregnant women, long-term unemployment or other groups identified by the Governor to have barriers to employment.

California Employment Development Department (EDD) – The EDD offers a wide variety of services to millions of Californians. As one of the largest State of California (State) departments, the EDD administers the Unemployment Insurance and State Disability Insurance programs; audits and collects payroll taxes and maintains employment records for California workers, connects job seekers with employers and administers federally funded workforce development programs; gathers, analyzes, and publishes labor market information.

CalJOBS – State information system job exchange for employers to post jobs, find candidates and research labor market information.

CalWORKs – A public assistance program that provides cash aid and services to eligible families that have a child or children in the home.

County Office of Education (COE) - The Santa Cruz County Office of Education provides the leadership, support and service excellence needed to prepare the diverse students of Santa Cruz County for success in each step of their educational journey.

California Department of Rehabilitation (DOR) – A State agency working collaboratively with many local organizations to assist people with disabilities to become employed.

High Demand Occupations – The occupations within the industry sectors identified by the Workforce Development Board of Santa Cruz County that have the best job prospects. See Guide Appendix for list of [High Demand Occupations](#).

Incumbent Worker Training (IWT) – Federal training subsidy to upskill staff in order to avert layoffs or promote incumbent workers and backfill vacant positions.

Monterey Bay Economic Partnership (MBEP) – Business nonprofit organization representing public, private and civic entities in Monterey, San Benito and Santa Cruz counties.

On-the-Job Training (OJT) – Federal training subsidy to bridge skill gaps of qualifying WIOA new hires.

Small Business Development Center (SBDC) – A premier hub of business experts. Business owners and aspiring entrepreneurs receive in-depth advising and training to obtain capital, launch businesses, grow sales and create jobs.

SmartHIRE – Subsidized workers to employers through the state’s CalWORKs program. CalWORKs is a public assistance program that provides cash aid and services to eligible families that have a child or children in the home.

WIOA Enrollee – Eligible enrollees may include unemployed and underemployed individuals as well as out-of-school youth between the ages of 16 to 24. An eligible individual must be enrolled by a designated service provider.

Workforce Development Board (WDB) - Oversees private and public partners to train and place individuals with the skills that employers need. The WDB primarily consists of representatives from businesses, labor organizations, educational institutions and community organizations. The WDB oversees activities provided through the Workforce Innovation and Opportunity Act (WIOA).

Workforce Innovation and Opportunity Act (WIOA) – Federal legislation offering a wide range of workforce development activities to help jobseekers and workers access employment, education, training and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy. The purpose of these activities is to promote an increase in employment, job retention, earnings and occupational skills of participants. This, in turn, improves the quality of the workforce, reduces welfare dependency and improves the productivity and competitiveness of the nation.

Workforce Santa Cruz County (WSCC) – A partnership of local organizations that serve jobseekers and businesses in the community. The organization supports Career Centers in the cities of Capitola and Watsonville and offers no cost services for businesses and jobseekers. WSCC convenes industry and educators to work through workforce development challenges and analyzes labor or economic trends and outlook by sector. WSCC is overseen by the Santa Cruz County Workforce Development Board.

Employee Training

New Hires

For when a candidate needs additional training to meet the requirements of the position, training assistance may be available for qualifying candidates.

On-the-Job Training

On-the-Job Training (OJT) is a federal subsidy for employers who train qualifying new hires to bridge skill gaps for the position. The OJT agreement reimburses employers to compensate for the costs associated with upgrading the skills of newly hired employees and the lost production of current employees providing the training (including management staff). The training program can assist employers who are looking to expand their businesses and who need additional staff trained with specialized skills.



ON-THE-JOB TRAINING HIGHLIGHTS

- OPPORTUNITY TO HIRE TALENT THAT NEEDS ADDITIONAL TRAINING TO PERFORM THE ROLE
- EMPLOYERS MAY RECEIVE UP TO 50% REIMBURSEMENT OF THE TRAINEE'S WAGES TO ASSIST WITH DEFRAYING PERSONNEL TRAINING COSTS
- MAXIMUM REIMBURSEMENT IS UP TO \$10,000 PER TRAINEE, IF POSITION IS A [HIGH DEMAND OCCUPATION](#) AS DESIGNATED BY THE WORKFORCE DEVELOPMENT BOARD, OR UP TO \$3,500 PER TRAINEE
- MAXIMUM TRAINING PERIOD IS SIX MONTHS
- EMPLOYER DESIGNS THE TRAINING PROGRAM BASED ON NEW HIRE'S QUALIFICATIONS
- THE NEW HIRE MUST ENROLL IN THE WIOA PROGRAM, WHICH MAY INCLUDE UNEMPLOYED AND UNDEREMPLOYED INDIVIDUALS AS WELL AS OUT-OF-SCHOOL YOUTH BETWEEN THE AGES OF 16 TO 24; AN ELIGIBLE INDIVIDUAL MUST BE ENROLLED BY A DESIGNATED SERVICE PROVIDER

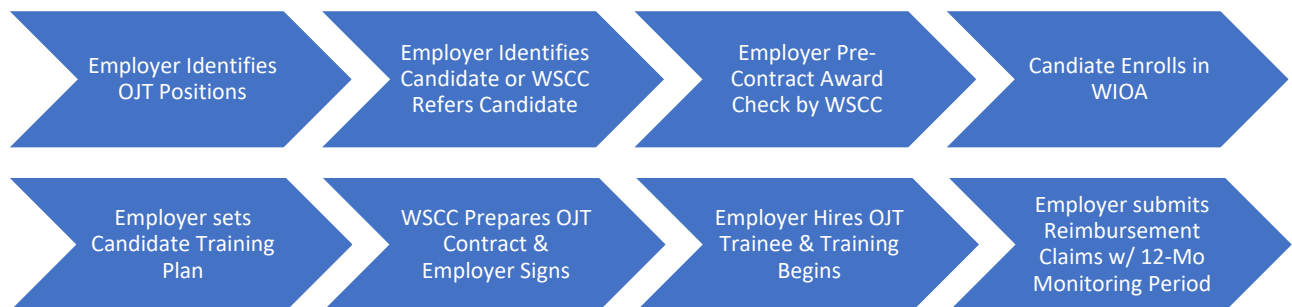
Workforce Santa Cruz County connects employers to jobseekers, who come with various backgrounds, educational levels and work experience. Workforce Santa Cruz County can provide employers with entry-level and skilled candidate referrals for the OJT program.

Employers may contact Workforce Santa Cruz County with candidates they are interviewing to verify if the candidate will qualify for the WIOA program prior to hire. The OJT program works for employers of all sizes and industries who plan to retain the trainee upon successful completion of the OJT program.

The employer will hire the OJT trainee as a fulltime employee (at least 30 hours a week), maintain workers compensation insurance and have all mandatory deductions withheld from the trainee’s earnings. The minimum wage requirement of OJT trainee is set every year by the California Employment Development Department and the minimum wage requirement increases based on family size. For an OJT trainee with a single tax filing status, their minimum annual wage starts at \$31,225 and for each additional family member their minimum annual wage would need to increase by \$11,050. The employer pays the trainee for the regular hours worked and the employer will be reimbursed 50% of the trainee’s wages. OJT employees cannot replace positions that have been or will be laid-off.

Workforce Santa Cruz County will work with the employer to develop a training plan. The plan will focus on the key skills necessary to perform the job. The training will take place as part of the employee’s regular workday. Workforce Santa Cruz County will visit the work site once a month to monitor the progress. Prior to that meeting, the employer will complete a progress report which charts the trainee’s performance. The trainee, employer’s supervisor and a representative from Workforce Santa Cruz County will meet to review the progress report. Workforce Santa Cruz County will request a copy of the trainee’s timecard and payroll record on a monthly basis. The training program period is typically about three to six months. At the successful completion of the training period, the employer will retain the trainee as a regular employee. Workforce Santa Cruz County will monitor the trainee’s employment status with employer for 12 months.

ON-THE-JOB TRAINING WORKFLOW



The OJT contract process takes about an average of four weeks to establish; however, that timeframe will significantly be lower if the candidate is already enrolled in WIOA.



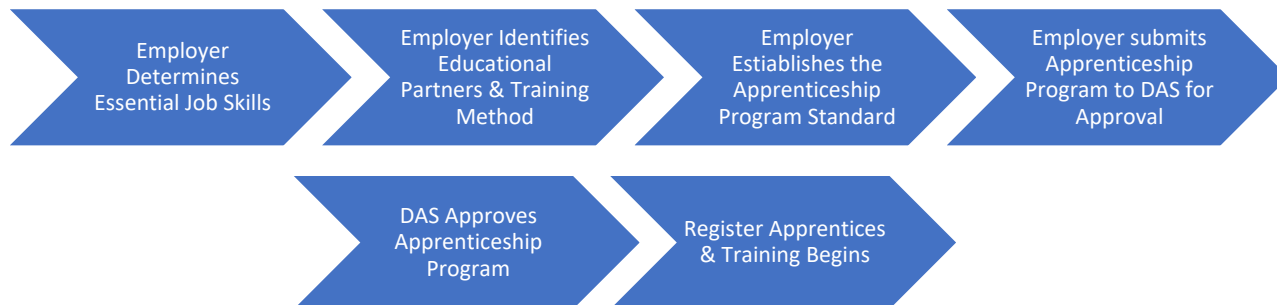
For more information on the OJT program, please contact [Workforce Santa Cruz County](#).

Registered Apprenticeship

Recruiting and retaining skilled employees can be challenging. Apprenticeship programs reduce the need for costly recruitment programs by creating a flow of candidates who are already screened and trained. The cost of wages for apprentices are typically less than that for regular employees. Additionally, apprentices who complete a program often feel a commitment to their work and loyalty to their employer.

The California [Division of Apprenticeship Standards](#) (DAS) helps employers set up a Registered Apprenticeship (RA) program, including understanding how an apprenticeship works and learning what are the state standards for education and employment. A DAS Apprenticeship Consultant can help employers determine if grant sources are available to fund the RA program.

REGISTERED APPRENTICESHIP WORKFLOW



For more information on the Registered Apprenticeship program and application process timeframe, please contact the [California Division of Apprenticeship Standards](#).

Current Employees

When companies need to innovate to meet market demands, budget constraints may not allocate sufficient funds for staff training and development. Training support, subsidies and low-cost courses may be available for qualifying employers and employees.

Incumbent Worker Training

The Incumbent Worker Training (IWT) is a federal subsidy to provide both employers and workers with the opportunity to build and maintain a quality workforce. The program is designed to meet the needs of an employer or group of employers to either avert layoffs or promote incumbent workers and backfill their vacant positions. WIOA sets criteria to

determine which workers, or groups of workers, are eligible for IWT services and the cost sharing required for IWT projects and employers.



INCUMBENT WORKER TRAINING HIGHLIGHTS

- OPPORTUNITY TO IMPROVE CURRENT STAFF’S SKILLS TO RETAIN EMPLOYMENT
- MAXIMUM REIMBURSEMENT IS UP TO \$10,000 PER TRAINEE
- EMPLOYERS SHARE IN THE COST OF THE TRAINING BASED ON THE NUMBER OF EMPLOYEES EMPLOYED, AT LEAST:
 - 10% OF THE COST FOR EMPLOYERS WITH UP TO 50 EMPLOYEES
 - 25% OF THE COST FOR EMPLOYERS WITH 51 TO 100 EMPLOYEES
 - 50% OF THE COST FOR EMPLOYERS WITH MORE THAN 100 EMPLOYEES
- EMPLOYEES’ TIME SPENT ON THE TRAINING DURING SCHEDULED WORKING HOURS MAY BE TREATED AS PART OF THE COST OF THE TRAINING
- THE MAJORITY OF THE INCUMBENT WORKER TRAINING COHORT MUST HAVE AN EMPLOYMENT HISTORY WITH THE EMPLOYER FOR AT LEAST SIX MONTHS

Employers will propose the IWT project, including curriculum, to Workforce Santa Cruz County. The employer should demonstrate how the training will improve the competitiveness of the employees or both the employer and employees. IWT may be used for underemployed employees and participants in the training cohort are not required to enroll in the WIOA program. Priority will be given to training programs for individuals with barriers to employment. Workforce Santa Cruz County will monitor the incumbent workers’ employment status with employer for six months.

INCUMBENT WORKER TRAINING WORKFLOW



The IWT application may take an average of one to two weeks to process.



For more information on the IWT program, please contact [Workforce Santa Cruz County](#).

Employment Training Panel

The California [Employment Training Panel](#) (ETP) is a State agency that provides funding to offset the costs of job skills training to assist employers upgrading the skills of new and existing workers and to provide individual job seekers skills needed for full-time employment. ETP uses a pay-for-performance contract rather than a grant structure to distribute funding; ETP funding is earned after a trainee completes training and then works full-time earning a contract specific wage for at least 90 days. The ETP is funded by California employers through a special payroll tax, capped at \$7 per worker per year, collected as part of the employers' Unemployment Insurance tax liability.



EMPLOYMENT TRAINING PANEL HIGHLIGHTS

- ETP WILL FUND OVER \$80M IN CONTRACTS FOR FY 20/21. THESE FUNDS WILL HELP SANTA CRUZ COUNTY EMPLOYERS AND WORKERS BE MORE COMPETITIVE.
- EMPLOYERS SELECT TRAINING TOPICS, TRAINERS AND WHICH WORKERS WILL PARTICIPATE IN ORDER TO MAXIMIZE THE BENEFIT FOR BOTH THE WORKERS AND THE EMPLOYER.
- ETP REIMBURSEMENT IS \$23 PER TRAINING HOUR, PER TRAINEE. APPRENTICESHIP TRAINING IS REIMBURSED AT \$18 AND SELF-PACED COMPUTER TRAINING IS \$9.
- EXISTING WORKERS CAN RECEIVE A MAXIMUM OF 200 HOURS HOUR OF TRAINING; NEW WORKERS CAN RECEIVE UP TO 260 HOURS.
- FOR FISCAL YEAR 20/21, THE PROJECT CAP FOR SINGLE EMPLOYERS, INCLUDING SMALL BUSINESSES IS \$500,000. FOR MULTIPLE EMPLOYER CONTRACTORS (E.G. WORKFORCE DEVELOPMENT BOARD OR COMMUNITY COLLEGE), THE PROJECT CAP IS \$600,000.
- EMPLOYERS MUST DOCUMENT TRAINING HOURS HAVE BEEN COMPLETED AND TRAINEES HAVE BEEN RETAINED IN JOBS FOR A SPECIFIC PERIOD AND WAGE BEFORE ETP FUNDING IS EARNED.

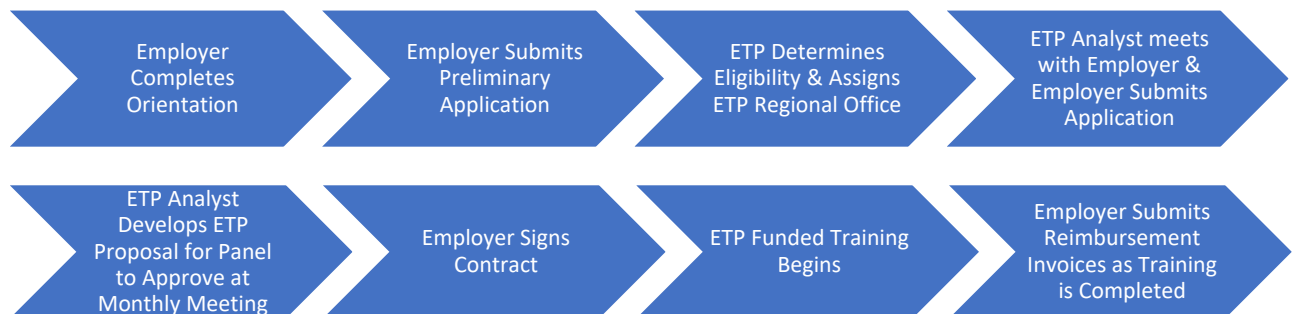
ETP prioritizes training programs for the following industry sectors: manufacturing, biotechnology, agriculture, nursing and allied healthcare, construction, high technology services, multimedia/entertainment, goods movement, transportation logistics and clean energy technologies. ETP also prioritizes training programs addressing the impacts of natural disaster, including fire, drought, COVID-19, clean transportation, apprenticeship and pre-apprenticeship, programs that serve traditionally underserved workforce populations (veterans, at-risk youth, offender and individuals with barriers to employment) and economically disadvantaged communities. ETP partners with the Governor's Office for Business and

Economic Development to prioritize projects with job creation and a high regional or statewide economic impact. Private-for-profit employers and some non-profit employers can contract with ETP directly as a Single Employer. ETP also contracts with Multiple Employer Contractors that aggregate the training needs of multiple employers usually focused toward an industry sector, occupation or geographic region.

ETP can fund training for new hires who are unemployed at the start of ETP funded training and then placed into full time employment, newly hired or existing full-time workers (Retrainee), Apprentices and Journey Workers and Small Business Owners who own a business with nine or fewer full-time employees. To earn ETP funding, trainees must complete a minimum of eight hours of training and a post-training employment retention period usually 90 calendar days. During the retention period workers must work full-time and earn at least \$15/hour (new hire) and \$18.34/hour (Retrainee). Wage variances are permitted for High Unemployment Areas and traditionally underserved populations. Currently certain parts of Santa Cruz, Freedom and Watsonville are qualifying designated high unemployment geographic areas, as identified by California Franchise Tax Board's [mapping tool](#). Wage requirements are updated annually and fixed to the calendar year in which the contract is approved.

Employers may select any combination of internal or external training providers. Training can be delivered in classroom or laboratory environments, manufacturers can include productive laboratory training (on-the-job training), using video-conference/distance learning formats and non-interactive self-paced computer-based training formats. ETP funds employer-customized, job skills training and in some cases ancillary job readiness topics that address the needs of underserved trainee populations. ETP does not fund legally-mandated training, e.g. sexual harassment or labor law, basic company orientation (onboarding), or training used to meet continuing education unit requirements (except registered nurses). ETP reimbursement is \$23 per training hour, per trainee. Apprenticeship training is reimbursed at \$18 and Self-Paced Computer Training is \$9.

EMPLOYMENT TRAINING PANEL WORKFLOW



The ETP application process may take between four to six months on average to process or even longer. ETP provides technical assistance prior to the application process, during contract

development and throughout the contract life cycle to make sure that the training is effective and that the contractor maximizes reimbursement.



Next Step

For more information on the ETP program and application process timeframe, please contact [California Employment Training Panel](#).

Low Cost Local Training Solutions

Free training is available through non-credit courses at Cabrillo College. Both Cabrillo College and the Watsonville/Aptos/Santa Cruz Adult Education (WASCE) offer low cost classes and course catalogs are available online. Employee short-term training, certificates and customized training programs per employer needs are available at Cabrillo College, WASCE and the University of California at Santa Cruz (UCSC).

Talent Acquisition

Recruiting

Finding the right talent can be time consuming and costly. Workforce organizations may help employers connect with current jobseekers networking with local schools, career centers and community organizations.

Online Job Advertising

Advertising job openings online is a fast and efficient method to finding talent.

CalJOBS

CalJOBS is a California job exchange information system for employers and jobseekers. Employers sign up to CalJOBS to post job openings, search a database of current jobseekers' resumes in the area and research market labor information. Most Unemployment Insurance filers are required to register in CalJOBS and post a resume. Visit [CalJOBS](#) to sign up for a free employer account to post jobs and find candidates today!



Next Step

CalJOBS is provided by the California Employment Development Department. For more information on CalJOBS, please contact [Workforce Santa Cruz County](#).

Job Blast

Workforce Santa Cruz County emails a local job openings newsletter every other week to thousands of jobseekers. The Job Blast email distribution list is updated with recent unemployment filers in CalJOBS. Workforce Santa Cruz County partners also share the local job announcements with their jobseeker network.



Next Step

To post local job openings in the Job Blast emailer, please contact [Workforce Santa Cruz County](#).

College Campuses

Partnering with local educators to advertise job openings is a great way to connect with student workers, recent graduates and alumni. Employers are invited to use the following campus websites to post jobs online:



Next Step

Cabrillo College <http://www.cabrillo.edu/services/jobs/off-campus-employers.html>

University of California at Santa Cruz

<https://careers.ucsc.edu/employer/jobsandinternships/handshakeemployer.html>

Business Organizations

Monterey Bay Economic Partnership (MBEP) is a regional business organization offering its members the [Monterey Bay Career Connect](#) website to post job openings. Monterey Bay Career Connect is a free one-stop hub for students to explore college and careers.



To post jobs online through Career Connect, please contact [Monterey Bay Economic Partnership](#).

Job Fairs

Virtual hiring events or meet-the-employer events are an excellent way to promote your business amongst active and passive jobseekers. Workforce Santa Cruz County partners with local college campuses, career centers and community organizations to advertise the virtual events. Workforce Santa Cruz County will host the online meeting and facilitate questions to employers through the chat feature. The online meeting capacity for attendees is in the thousands. The webinar will be recorded for those who cannot attend the live event and the recording will be posted on the internet.



To present in a Virtual Hiring Event, please contact [Workforce Santa Cruz County](#).

Several workforce organizations will host, promote or sponsor Job Fair events across the County. Depending on the hiring event scale and requirements, the cost may be nominal for employers to participate. The events can be marketed to thousands of jobseekers or targeted to industry sector jobseekers or occupations.



To arrange a Job Fair, the following organizations can assist employers: [Cabrillo College](#), [University of California at Santa Cruz](#) and [Workforce Santa Cruz County](#).

Achieving Hiring Initiatives

Workforce programs can assist companies with hiring targeted new recruits.

Internships Hiring Initiative

Several workforce organizations in Santa Cruz County coordinate internships for employers. Internships are an excellent way for employers to network with talent at local schools and colleges.

County Office of Education – Sueños Internships

The County Office of Education (COE) prepares young adult interns between the ages of 16 to 24 who are eager to gain work experience. The [COE's Sueños Program](#) graduates interns in critical skills to prepare them for career success – such as customer service, cash handling, ethics, safety and work habits. The interns are ready-to-work for 120 to 220 hour assignments. All interns are screened by Sueños staff to ensure a successful internship experience. The COE covers intern costs to the employer, including a stipend paid to intern. The COE provides one-on-one program specialist support to the employer with intern oversight during assignment. Employer can hire intern after assignment completion; however, there is no obligation to hire. Sueños Program training is business approved by Whiting Foods and Santa Cruz Beach Boardwalk. Interns cannot replace positions that have been or will be laid-off.

WORK EXPERIENCE INTERNSHIPS WITH COE SUEÑOS WORKFLOW



The Work Experience Internship Worksite Agreement with COE Sueños may take an average of two weeks to process. Placing an intern is primarily driven by the intern selecting worksite and employer identifying the intern's 120 to 220 hour assignment.

Next Step → For more information on the Work Experience Internships with the COE Sueños Program, please contact the [COE Sueños](#).

Monterey Bay Internships

[Monterey Bay Internships](#) is a free online internship portal to connect students to internship opportunities with local employers, managed by the Monterey Bay Economic Partnership. Internships integrate knowledge and theory learned in the classroom with practical application and skills development in a professional setting. Students receive the opportunity to gain valuable applied experience and network with industry professionals. Interns give employers the opportunity to guide and evaluate upcoming college graduates.

As guidelines for internships, the internship will be for a predetermined duration and responsibilities are in alignment with student's learning. The internship can be either paid or unpaid and offered with the opportunity to earn college credit. Unpaid internships must meet the following criteria at for-profit organizations: clearly communicates there is no expectation of compensation; provides training that would be similar to an educational environment; integrates coursework or academic credit; accommodates intern's academic commitments; provides beneficial learning throughout the entire duration of the internship; work complements, rather than displaces, the work of paid employees and conducted without the

entitlement to a paid job at the conclusion of the internship. An internship cannot be considered as free labor to the employer, mainly busywork, a burden on current employees' schedules nor a replacement of a regular employee's position. Students are also available for remote internships when technology is available to or provided by the employer. Examples of remote internship tasks include accounting spreadsheets, research assistance, social media, digital marketing, graphic design, web editing, data management, data analytics, website editing, business administration, technology support, customer service, human resources, grant writing, and other special projects.

Paid employees and interns follow the same legal standards under employment law. Paid interns should be covered under workers' compensation. Unpaid interns technically do not need to be covered by workers' compensation but there is a risk to an employer should an incident/injury happen. Employers working with interns are encouraged to be aware of their workers' compensation benefits responsibility and consult with their Human Resources Department and/or workers' compensation carrier. Monterey Bay Economic Partnership staff is available to assist employers with setting up internship programs and posting the Monterey Bay Interns website.



For more information on [Monterey Bay Internships](#), please view the [Monterey Bay Internships Employer Toolkit](#).

Work-Study

The [Federal College Work-Study Program](#) at UCSC promotes part-time employment for currently registered students who are eligible for Financial Aid and are awarded Work-Study. This program gives the student the opportunity to earn a portion of their financial aid and to explore career possibilities while gaining valuable and practical work experience.



WORK-STUDY HIGHLIGHTS

- OPPORTUNITY FOR NON-PROFIT ORGANIZATIONS TO BRING ON PART-TIME COLLEGE STUDENTS RECEIVING FINANCIAL AID
- MAXIMUM REIMBURSEMENT IS UP TO \$3,000 PER STUDENT
- EMPLOYER COVERS 40% OF STUDENT'S WAGES PLUS 10% ADMINISTRATIVE FEE, REMAINING 60% OF WAGES ARE PAID BY FEDERAL COLLEGE WORK-STUDY FUNDS
- WORK-STUDY CAN BE USED DURING THE SEPTEMBER TO JUNE ACADEMIC YEAR AND DURING QUARTERS IN WHICH THE STUDENT IS ENROLLED IN AT LEAST SIX UNITS FOR UNDERGRADUATES AND FIVE UNITS FOR GRADUATE STUDENTS

Qualifying Work-Study employers must meet the following requirements:

- The organization may be public or private but must be non-profit and tax exempt as certified by the IRS.
- The Work-Study job may not involve the employee in political activities which include working for a candidate for public office or an elected official, working on a political campaign, or lobbying on the federal, state, or local level.
- The work may not involve constructing, operating, or maintaining any part of a building used for religious worship or sectarian instruction.
- Work must be "in the public interest." Work in the public interest is defined as work performed for the welfare of the nation or community, rather than work performed for a particular interest or group.

The maximum number of hours a student may work per week is 15 hours during the academic year. The maximum hours a student may work per week during a quarter break is 40 hours. Employers may hire the student directly when the Work-Study funds run out.

The Work-Study employer will provide reasonable supervision of the work performed by student participants and permit reasonable inspection by representative of the college or university. Payroll period records will be submitted indicating the number of hours worked each week, containing the employer's signature/certification as to the accuracy of the hours reported and of satisfactory performance on the part of the students. The employer will provide workers' compensation coverage for the student and notify the college or university in writing of student termination.

WORK-STUDY WORKFLOW



The Work-Study Agreement may take an average of three weeks to process. UCSC staff is available to connect nonprofit employers to the Work-Study program and students.

Next Step → For more information on Work-Study, please contact the [University of California at Santa Cruz](#).

Veteran Talent Hiring Initiative

Veterans receive world class training that benefits civilian employers. Studies have shown that Veterans are highly productive and have higher retention rates with employers. A quick search of the internet will show several articles from Forbes, Wall Street Journal and recognized business leaders who advocate the good business practice of hiring Veterans. Some common

themes from these articles describe the attributes and characteristics of Veterans as seen by their employers, such as proven leadership/leadership readiness, mission focused to get the job done, team players, accelerated learning curve / quick learners / immediate contributor, strong work ethic and integrity, works well under pressure, create initiatives and brings excellent skills in technology, change management, business loyalty and working well with diverse backgrounds. Employers hiring Veterans may qualify for the federal [Work Opportunity Tax Credit](#) of \$9,600 per veteran hired.

An employer may be “Approved for the GI Bill®” Registered Apprenticeship program which can assist Veteran apprentices with the benefits they earn. Veterans who have existing benefits under the GI Bill®, may qualify for a monthly stipend (paid by the Department of Veterans Affairs (VA)), in addition to their wages they receive in an apprenticeship, to help them meet their monthly expenses. The Departments of Veterans Affairs (VA) and Labor (DOL) are working together to make GI Bill® approval for registered apprenticeship programs a seamless process.

California Employment Development Department staff will connect employers to Veteran jobseekers and provide additional guidance on timeframe expectations for employers participating in hiring Veteran programs.



For more information on Veteran services for employers, please contact the [California Employment Development Department](#).

Subsidized Talent Hiring Initiative

The [Community Action Board](#) (CAB) of Santa Cruz County provides subsidized workers to employers through the state’s CalWORKs program. CalWORKs is a public assistance program that provides cash aid and services to eligible families that have a child or children in the home. CAB’s subsidized employment program is known as SmartHIRE.



SUBSIDIZED EMPLOYMENT HIGHLIGHTS WITH SMARTHIRE

- OPPORTUNITY TO HIRE PRE-SCREENED CANDIDATES FOR SUBSIDIZED EMPLOYMENT
- MAXIMUM REIMBURSEMENT IS UP TO \$12,000 PER EMPLOYEE FOR UP TO SIX MONTHS
- EMPLOYEE MUST BE ENROLLED IN CALWORKS

SmartHIRE Workforce Representatives will provide qualified candidates for the employer to interview and the employer decides who to hire. The subsidized employment position will need to start at \$13 per hour and have a work schedule between 25 to 40 hours per week. The

employer must be able to retain the employee after the subsidized employment period ends. The wage reimbursement to the employer will be between \$1,750 to \$2,000 per month depending on the agreed-upon hours and wage of the employee. Payroll period records will be submitted indicating the number of hours the employee worked each week.

SUBSIDIZED EMPLOYMENT WITH SMARTHIRE WORKFLOW



The SmartHIRE Agreement with CAB may take an average of two weeks to process.

Next Step → For more information on Subsidized Employment with SmartHIRE, please contact the [Community Action Board](#).

Disabled Talent Hiring Initiative

The [California Department of Rehabilitation](#) (DOR) builds collaborative partnerships with businesses that create staffing solutions for people with disabilities. A DOR Business Specialist works with employers to pre-screen candidates and help to enhance productivity while providing employees who are highly skilled and ready to work. Services are in place to assist with transitioning employees into the business and follow-up is provided to ensure employer satisfaction. Technical assistance can be provided on disability etiquette, recruitment and selection, reasonable accommodations, accessibility to programs and services, physical access surveys, publications, referrals and resources.

Several federal tax credits are available, such as the [Work Opportunity Tax Credit](#) (WOTC) of up to \$2,400 for a qualifying disabled new hire; [Disabled Access Credit](#) of up to \$5,000 to make workplace accessible; and [Architectural and Transportation Tax](#) deduction of up to \$15,000 for expenses to remove physical, structural and transportation barriers. Employment Networks (EN) are qualified public or private entities that assume responsibility for coordination and delivery of employment services, vocational rehabilitation services or other support services. Qualifying EN organizations may receive up to \$20,000 per qualified employee.

An On-the-Job Training subsidy is also available for employers who hire qualifying DOR participants. Funding is intended to help offset the cost of providing on-the-job training by the employer.



ON-THE-JOB TRAINING FOR NEW HIRES WITH DOR HIGHLIGHTS

- OPPORTUNITY TO HIRE QUALIFYING DOR PARTICIPANTS
- MAXIMUM REIMBURSEMENT IS UP TO \$5,000 PER EMPLOYEE
- TRAINING PERIOD IS UP TO THREE MONTHS

A Counselor and Employment Specialist are available to support the employer and trainee during this training period. The training agreement is developed between all parties that outline the job and training needs.

DOR ON-THE-JOB TRAINING WORKFLOW



The On-the-Job Training Agreement with DOR may take an average of two weeks to process.



For more information regarding On-the-Job Training or other business assistance for employees with disabilities, please contact the [Department of Rehabilitation](#).

Other Talent Acquisition Assistance

This section of the Guide consists of additional workforce offerings to keep in mind.

Talent Creation and Workforce Planning

When employers are not finding skilled talent for the work, please keep in mind employee training programs, such as [On-the-Job Training](#) and [Incumbent Worker Training](#), can be utilized as hiring solutions to create the talent employers need through short-term trainings. Workforce Santa Cruz County can also assist employers with long-term workforce development planning. The Santa Cruz County Workforce Development Board leads sector strategy and career pathway initiatives which are regional, industry-focused approaches to workforce and economic development that improve access to great careers and increase job quality in ways that strengthen an industry's workforce.



To discuss workforce development planning for employers and convene workforce partners, please contact [Workforce Santa Cruz County](#).

California Employer Advisory Council

EDD works with the [California Employer Advisory Council](#) (EAC) which is a statewide umbrella organization for 48 local EACs throughout the State. Members represent a cross-section of business and industries. Their mission is to assist the EDD improving services to California's employers. The EAC works with local community groups to develop programs that increase employment and educational opportunities for people with special needs.



Next Step

For more information on the Employer Advisory Council, please contact the [California Employment Development Department](#).

Day Workers

The [Day Worker Center of Santa Cruz County](#) is proud to announce that employers are excited and happy with the quality of work of the Day Worker Center. Some workers have woodworking background or stone and tile background. Others may be experienced in specific skills. Employers can arrange to have work done anytime throughout the week and most workers are available anytime. The Center connects employers to reliable, screened workers who are often able to help with gardening, moving, cleaning, painting, building, hauling, clean-outs and more skilled labor.



Next Step

For more information on hiring Day Workers, please contact the [Community Action Board](#).

Retaining and Reducing Workforce

Job Retention Solutions

Workforce Santa Cruz County has launched a confidential program, through State and local partners, to assist businesses with keeping their doors open and retaining employees. This program provides a full range of coordinated resources to help sustain businesses and retain jobs in Santa Cruz County. These services are available at no cost to the employer.

Small Business Consulting

The [Small Business Development Center](#) (SBDC) is a premier hub of business experts. The counseling team provides in-depth financial analysis and human resource functions. SBDC delivers technical assistance including operational analysis, increased profit earning strategies and general “business turnaround” assistance for the prevention of layoffs. SBDC retains a high-level business management consultant with experience in business turnaround strategies. A human resource consultant is available with an extensive background in human resource management, employee retention policies and workforce reduction strategies and support programs. A loan and finance specialist is available to apply for any applicable operating capital or equity financing programs.

SBDC analyzes business operations with an emphasis on financial management, sales, marketing and human resources. Advisors identify potential areas of reduction of operational costs and increased efficiencies. Advisors can develop turnaround plans for struggling businesses where job preservation is possible, e.g. [Incumbent Worker Training](#) strategies. SBDC assists in negotiating with banks and lenders for debt consolidation and coordinates potential buyout plans. Advisors can review staffing needs of employers served. SBDC offers other retention services including referral to employment and training services, economic development agencies, business planning and future growth plans.



To speak with a Business Advisor, please contact the [Small Business Development Center](#).

Work Sharing

The California Employment Development Department (EDD) encourages employers to apply for the [Unemployment Insurance \(UI\) Work Sharing Program](#) as a temporary alternative to layoffs if the business’s production or services have been reduced. The Work Sharing program helps employers minimize or eliminate the need for layoffs in nearly all types of businesses or industries; keep trained employees and quickly recover when business conditions improve to

avoid the cost of recruiting, hiring, and training new employees. With Work Sharing, employees whose hours and wages have been reduced can receive UI benefits and keep their current job.



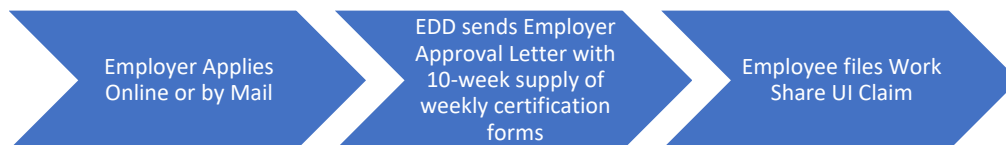
WORK SHARING HIGHLIGHTS

- TEMPORARY ALTERNATIVE TO LAYOFFS AND ALL WORK SHARING PLANS ARE APPROVED FOR ONE YEAR
- A MINIMUM OF TWO EMPLOYEES AND AT LEAST 10% OF REGULAR WORKFORCE MUST BE AFFECTED BY A REDUCTION IN HOURS AND WAGES
- HOURS AND WAGES MUST BE REDUCED BY 10 TO 60%
- EMPLOYEES MUST KNOW IN ADVANCE THE EMPLOYER PLANS TO TAKE PART IN THE WORK SHARING PROGRAM
- LEASED, INTERMITTENT, SEASONAL OR TEMPORARY SERVICE EMPLOYEES CANNOT PARTICIPATE
- WORK SHARING CANNOT BE USED AS A TRANSITION TO A LAYOFF

To participate, an employer’s business must ensure health and retirement benefits must stay the same as before, or they must meet the same standards as other employees who are not participating in Work Sharing. The employer will need to estimate the amount of layoffs to be avoided by participating in the Work Sharing program. The employees’ bargaining unit must agree to voluntarily participate and sign the application for Work Sharing. Each participating employee must be identified by legal name and Social Security number. Corporate officers or major stockholders with investment in the company cannot participate.

Employers must be a legally registered business in California and have an active California State Employer Account Number. Employers are charged for Work Sharing Unemployment Insurance (UI) benefits the same way as regular UI benefits. Subsequent Work Sharing plans will be approved if employer continues to meet the requirements of the program. The plan is effective for 12 months and subsequent plans may be approved until the employer’s economic conditions improves.

WORK SHARING WORKFLOW



The EDD will be able to provide a timeframe to process Work Sharing applications.



For more information regarding Work Sharing, please visit the [Work Sharing Website](#) or call EDD Special Claims Office at (916) 464-3343.

Incumbent Worker Training

The Incumbent Worker Training (IWT) is a federal subsidy to provide both employers and workers with the opportunity to build and maintain a quality workforce. The program is designed to meet the needs of an employer or group of employers to either avert layoffs or promote incumbent workers and backfill their vacant positions. WIOA sets criteria to determine which workers, or groups of workers, are eligible for IWT services and the cost sharing required for IWT projects and employers.



INCUMBENT WORKER TRAINING HIGHLIGHTS

- OPPORTUNITY TO IMPROVE CURRENT STAFF'S SKILLS TO RETAIN EMPLOYMENT
- MAXIMUM REIMBURSEMENT IS UP TO \$10,000 PER TRAINEE
- EMPLOYERS SHARE IN THE COST OF THE TRAINING BASED ON THE NUMBER OF EMPLOYEES EMPLOYED, AT LEAST:
 - 10% OF THE COST FOR EMPLOYERS WITH UP TO 50 EMPLOYEES
 - 25% OF THE COST FOR EMPLOYERS WITH 51 TO 100 EMPLOYEES
 - 50% OF THE COST FOR EMPLOYERS WITH MORE THAN 100 EMPLOYEES
- EMPLOYEES' TIME SPENT ON THE TRAINING DURING SCHEDULED WORKING HOURS MAY BE TREATED AS PART OF THE COST OF THE TRAINING
- THE MAJORITY OF THE INCUMBENT WORKER TRAINING COHORT MUST HAVE AN EMPLOYMENT HISTORY WITH THE EMPLOYER FOR AT LEAST SIX MONTHS

Employers will propose the IWT project, including curriculum, to Workforce Santa Cruz County. The employer should demonstrate how the training will improve the competitiveness of the employees or both the employer and employees. IWT may be used for underemployed employees and participants in the training cohort are not required to enroll in the WIOA program. Priority will be given to training programs for individuals with barriers to employment. Workforce Santa Cruz County will monitor the incumbent workers' employment status with employer for six months.

INCUMBENT WORKER TRAINING WORKFLOW



The IWT application may take an average of one to two weeks to process.



For more information on the IWT program, please contact [Workforce Santa Cruz County](#).

Layoff Services

Outplacement services help former employees transition to new jobs and are achieved usually through practical advice, training materials and workshops. Rapid Response services are a proactive and business-focused program designed to assist companies facing potential layoffs or closures. The Rapid Response Team provides early assistance to help avert potential layoffs and immediate services to assist workers facing job losses. Rapid Response services are tailored to each company based on the needs of the affected employees.

The Rapid Response Team will work with the employer to minimize the disruptions associated with job losses. Additionally, the Rapid Response Team will work with affected workers to provide important information and services that enhance re-employment opportunities, including career counseling and job search assistance, resume preparation and interviewing skills workshops, Unemployment Insurance and information about education and training opportunities. When possible and with the employer's approval, Workforce Santa Cruz County will coordinate a mini-job fair at the worksite for affected staff to network with other employers hiring similar positions. Rapid Response services can lower Unemployment Insurance costs by helping affected staff with their next step to re-employment.

Rapid Response Orientations last between 30 to 45 minutes depending on questions. The orientations are offered virtually or in-person at the worksite and are available in English and Spanish. It can take between one to two weeks to schedule the event with the Rapid Response Team.



For more information on the Layoff Services, please contact [Workforce Santa Cruz County](#).

Labor Market Information

Workforce Santa Cruz County connects employers to the most current and accurate labor market information available, including data on labor supply, wages, occupational projections and the latest job figures. Labor market data is available by industry sector.

A frequent business request are market wage reports in Santa Cruz County for employers to determine how competitive their wages compared to peer companies. Here is a market wage report sample for the Health Care and Social Assistance sector in Santa Cruz County:

6-digit Occupation	Employed	Avg. Annual Wages	Annual Demand
Personal Care Aides	3,333	\$29,100	645
Registered Nurses	1,390	\$126,900	94
Medical Assistants	650	\$44,000	91
Nursing Assistants	556	\$39,000	69
Medical Secretaries	524	\$42,300	70
Childcare Workers	405	\$26,500	63
Receptionists and Information Clerks	392	\$37,800	60
Licensed Practical and Licensed Vocational Nurses	372	\$59,200	32
Dental Assistants	362	\$44,300	47
Social and Human Service Assistants	296	\$45,500	44
Remaining Component Occupations	8,347	\$71,400	895
Total	16,652		

The Santa Cruz County Workforce Development Board (WDB) develops and implements strategies to meet the employment and skill needs of workers, jobseekers and employers. The WDB utilizes national, State and local labor market and economic information to make data driven decisions. Labor and economic data reports are available to employers through the Workforce Santa Cruz County, such as the [2019 State of the Workforce Report](#), [2019 Tourism and Hospitality Report](#) and [2018 Tech Report](#). An Agriculture labor study will be released in summer 2020. Below are sample data points from the [2020 Comprehensive Economic Development Strategy Five-Yr Plan](#):

- In late Q3 2019, Santa Cruz County had about 115,400 workers in the labor force. Only about 3.1% of these workers were unemployed, which is lower than the statewide average of 3.5%, the national rate of 3.6%, and lower than the range of the “natural rate of unemployment” of 4.5% to 5.5%, as defined by the San Francisco Federal Reserve.
- Santa Cruz County residents generally have higher rates of education than the state and national averages. Only 29% of Santa Cruz County residents 25 years of age or older have, at most, attained a high school diploma or less, compared to 37% of California residents and 39% across the United States. Santa Cruz County residents are also more likely to hold at least a Bachelor’s degree; 40% of residents hold a Bachelor’s degree or

more compared to 34% in California and 32% in the United States. This means that Santa Cruz County's workforce is generally better suited for higher-skilled positions and industries.

- About one in six Santa Cruz County residents work outside the county, and many of these exported occupations are among the highest paying. Silicon Valley and the surrounding areas are a notable draw of talent from Santa Cruz County. Innovative and Scientific, Technological, Engineering and Mathematical (STEM) occupations have the highest rates of workers leaving the County, with a net 42% of residents in these occupations leaving the County to go to work. Population serving production and maintenance, as well as healthcare, law clerical, logistical or administrative occupations export about 12% of their resident workforce.
- Santa Cruz County households have a higher income than the State and nation on average. Median annual household income and income distribution are other factors worth considering when evaluating quality of life. The median annual household income in Santa Cruz County (\$86,941) is higher than State (\$75,277) and national (\$61,937) levels. Santa Cruz County also has a greater proportion of households in higher-income brackets: 44% of households in the county earn more than \$100,000 per year, which is a considerably higher proportion than that in California (38%) and the United States (29%).
- Santa Cruz County's five largest industry clusters account for nearly two-thirds of all jobs. A region's diversity in industry clusters and economic activity can help the region better resist macroeconomic downturns and can allow the regional economy to recover quicker in the event of one. Santa Cruz County's five largest industry clusters – education and knowledge creation; tourism, recreation, and hospitality; healthcare; retail; and agriculture and food—account for 63% of the region's workforce. Statewide, these five industries only account for 49% of employment.
- Innovation is a crucial aspect of growing and maintaining a healthy and resilient economy. Incubators can play an essential role in helping entrepreneurs and startups navigate and network through the challenging environment of starting a new business. Santa Cruz County is home to at least six incubators, which support industries ranging from tech and biosciences to retail businesses and creative arts. The range and number of incubators highlights the entrepreneurial spirit within the county, and the variety of forms it may take.

The California Employment Development Department (EED) Labor Market Information Division (LMID) is California's premier source for high quality and timely economic and workforce information. The LMID collects, analyzes and publishes labor market data describing a State's diverse economy with more than 1.4 million employers and more than 19 million individuals in the civilian labor force. Visit www.labormarketinfo.edd.ca.gov to access LMID data and reports on California's labor force, industries, occupations, employment projects, wages, geography and other important resources.

LMID's local labor-market consultants are placed in key cities throughout California and can assist customers locate and understand local labor market information, provide analysis or regional employment and economic trends and are available to make presentations. EDD local labor market data is partially sourced and also available to employers through the [US Bureau of Labor Statistics Quarterly Census of Employment and Wages](#), [US Census – America Community Survey](#) and [CalJOBS](#).

Depending on the labor market data request, it can take about one to five business days to provide that information.



For more information on Labor Market Data, please contact [Workforce Santa Cruz County](#).

Tax Incentives

Federal

Work Opportunity Tax Credit (WOTC)

The WOTC is a federal income tax credit available to employers who hire people from groups who have traditionally faced employment barriers. The WOTC promotes the hiring of qualifying individuals by providing a federal tax credit incentive of up to \$9,600 per employee hired. The Employment Development Department (EDD) is the WOTC-certifying agency for California employers. WOTC targeted groups include:

- A. Qualified IV-A Recipient
 - a. An individual who is a member of a family receiving assistance under a State plan approved under Part A of Title IV of the Social Security Act relating to Temporary Assistance for Needy Families (TANF). The assistance must be received for any nine-month period during the 18-month period ending on the hiring date.
- B. Qualified Veteran
 - a. A member of a family that received food stamps, i.e., Supplemental Nutrition Assistance Program (SNAP) benefits for at least a three-month period during the 15-month period ending on the hiring date, or
 - b. Entitled to compensation for a service-connected disability hired within one year of discharge or release from active duty, or
 - c. Entitled to compensation for a service-connected disability and unemployed for a period or periods totaling at least six months of the year ending on the hiring date, or
 - d. Unemployed for at least four weeks (but less than six months) during the one-year period ending on the hiring date, or
 - e. Unemployed for at least six months or more within one year of the hiring date.
 - f. To be considered a qualified veteran for this purpose, the individual must meet these two standards:
 - i. Served on active duty, not including training, in the U.S. Armed Forces for more than 180 days or have been discharged or released from active duty for a service-connected disability; and
 - ii. Not have a period of active duty, not including training, of more than 90 days that ended during the 60-day period concluding on the hiring date.
- C. Qualified Ex-Felon
 - a. A person hired within a year of being convicted of a felony or being released from prison from the felony.
- D. Designated Community Resident (currently no active designations in Santa Cruz County)
 - a. On the hire date, resident is at least 18 years old and under 40,

- b. Resides within one of the following:
 - i. An Empowerment Zone,
 - ii. An Enterprise Community,
 - iii. A Renewal Community, and
 - c. Continues to reside at the locations after employment.
- E. Vocational Rehabilitation Referral
 - a. A person who has a physical or mental disability and has been referred to the employer while receiving or upon completion of rehabilitative services pursuant to:
 - i. A State plan approved under the Rehabilitation Act of 1973,
 - ii. An Employment Network Plan under the Ticket to Work program, or
 - iii. A program carried out under the Department of Veteran Affairs.
- F. Summer Youth Employee (currently unavailable in Santa Cruz County)
 - a. Is at least 16 years old, but under 18 on the date of hire or on May 1, whichever is later,
 - b. Is only employed between May 1 and September 15 (was not employed prior to May 1), and
 - c. Resides in an Empowerment Zone (EZ), Enterprise Community or Renewal Community (currently no active designations in Santa Cruz County).
- G. Recipient of SNAP Benefits (food stamps)
 - a. An individual who on the date of hire is and at least 18 years old and under 40 and a member of a family that received SNAP benefits for the previous six months or at least three of the previous five months.
- H. Supplemental Security Income (SSI) recipient
 - a. If a month for which this person received SSI benefits is within 60 days of the date this person is hired.
- I. Long-term Family Assistance Recipient
 - a. An individual who at the time of hiring is a member of a family that meet one of the following conditions:
 - i. Received assistance under an IV-A program for a minimum of the prior 18 consecutive months;
 - ii. Received assistance for 18 months beginning after August 5, 1997 and it has not been more than two years since the end of the earliest of such 18-month period; or
 - iii. Ceased to be eligible for such assistance because a Federal or State law limited the maximum time those payments could be made, and it has been not more than two years since the cessation.
- J. Qualified Long-term Unemployment Recipient
 - a. One who has been unemployed for not less than 27 consecutive weeks at the time of hiring and received unemployment compensation during some or all of the unemployment period.

The employee must be WOTC-qualified and certified and a first time hire by the employer. No tax credit can be claimed for wages paid to relatives. Employers are to pre-screen and to make a written request to EDD to certify an individual as a member of a targeted group for purposes of qualifying for the work opportunity credit. Employers may claim the Work Opportunity Tax Credit for one or two years depending on the target group. In order to claim the tax credit, the employee must be retained 400 hours or more for a 40% tax credit on qualified first year wages. For the employee that is retained at least 120 hours but less than 400 hours, a 25% credit is available on qualified first year wages.

The credit amounts are for Target Group(s):

- A, Ba, Bd, C, D, E, G, H, J, the maximum tax credit amount is a 40% tax credit on qualified first year wages up to \$6,000, or \$2,400 for a one-year period.
- Bb, Disabled Veteran (hired within one year of separation), the maximum tax credit amount is a 40% tax credit on qualified first year wages up to \$12,000 or \$4,800 for a one-year period.
- Bc, Disabled Veteran, unemployed six months or more, the maximum tax credit amount is a 40% tax credit on qualified first year wages up to \$24,000 or \$9,600 for a one-year period.
- Be, Unemployed Veteran, unemployed six months or more, the maximum tax credit amount is a 40% tax credit on qualified first year wages up to \$14,000 or \$5,600 for a one-year period.

The credit is limited to the amount of the business income tax liability or social security tax owed. A taxable business may apply the credit against its business income tax liability, and the normal carry-back and carry-forward rules apply. For qualified tax-exempt organizations, the credit is limited to the amount of employer social security tax owed on wages paid to all employees for the period the credit is claimed.

The employer should retain WOTC records, including application, pertinent forms, and supporting documentation, for five years from the date of the written certification from the EDD. Revoked or denied certifications must be retained for at least one year, but longer if further action or an appeal is pending. This time period conforms to the IRS “record retention required” for employment taxes, which specifies that records be kept for four years after employment taxes are due.

If the employer believes that, based on the information provided, the job applicant meets the requirements for one or more target groups, please visit [EDD's WOTC Website](#) to complete forms and application online or by mail. Please note the appropriate forms must be submitted to the WOTC Center no later than the 28th day after the applicant starts work. Applications postmarked later than 28 days after the start date will be considered “Untimely” and will be denied. If the 28th day falls on a weekend, federal holiday, or State holiday, the final date for submission will be the next immediate business day.



Next Step

For more information about WOTC, contact the California WOTC Center at wotcsupport@edd.ca.gov or (866) 593-0173. Employers can also visit the [EDD WOTC Website](#) or [IRS WOTC Website](#).

Small Business Disabled Access Tax Credit

Small businesses may take an annual income tax credit for making their businesses accessible to persons with disabilities. A small business is defined as having 30 or fewer employees and earning no more than \$1 million in revenue. The credit is 50% of expenditures over \$250, not to exceed \$10,250, for a maximum benefit of \$5,000. The credit is available every year the disable access expenditures are incurred and the credit amount is reduced from the total federal tax liability.

The credit is available every year and can be used for a variety of costs such as sign language interpreters for employees or customers who have hearing impairments; readers for employees or customers who have visual impairments; the purchase of adaptive equipment or the modification of equipment; the production of print materials in accessible formats (e.g., Braille, audio tape, large print); the removal of barriers, in buildings or vehicles, which prevent a business from being accessible to, or usable by, individuals with disabilities; and fees for consulting services (under certain circumstances).

Expenses must be paid or incurred to enable a small business to comply with the requirements of the Americans with Disabilities Act. The tax credit does not apply to the costs of new construction and a building being modified must have been placed in service before November 5, 1990.



Next Step

For more information about the federal Disabled Access Credit, please visit the [IRS Website for Business Who Have Employees with Disabilities](#).

Architectural/Transportation Tax Deduction IRC Section 190, Barrier Removal

The Architectural Barrier Removal Tax Deduction encourages businesses of any size to remove architectural and transportation barriers to the mobility of persons with disabilities and the elderly. Businesses may claim a deduction of up to \$15,000 a year for qualified expenses for items that normally must be capitalized. Businesses claim the deduction by listing it as a separate expense on their income tax return. Also, businesses may use the Disabled Tax Credit and the architectural/transportation tax deduction together in the same tax year, if the expenses meet the requirements of both sections. To use both, the deduction is equal to the difference between the total expenditures and the amount of the credit claimed.

The deduction is available every year. It can be used for a variety of costs to make a facility or public transportation vehicle, owned or leased for use in the business, more accessible to and usable by persons with disabilities. Examples include the cost of providing accessible parking spaces, ramps, and curb cuts; providing telephones, water fountains, and restrooms that are accessible to persons in wheelchairs; and making walkways at least 48 inches wide. The deduction may not be used for expenses incurred for new construction, or for a complete renovation of a facility or public transportation vehicle, or for the normal replacement of depreciable property.



For more information about the federal Disabled Access Credit, please visit the [IRS Website for Business Who Have Employees with Disabilities](#).

State of California

New Employment Tax Credit (NEC)

The NEC is a California income tax credit available to employers that engaged in a trade or business in California within a designated geographic area (DGA), hires qualified employees, obtains a tentative credit reservation for the qualified employees, pays qualified wages, is not in an excluded business and has a net increase in jobs. Currently certain parts of Santa Cruz, Freedom and Watsonville are qualifying designated geographic areas, as identified by California Franchise Tax Board's [mapping tool](#).

Employees qualify through the following requirements:

- Hired on or after the employee's work location was made part of the DGA;
- Performs at least 50% of his/her services in the DGA;
- Receives starting wages that exceed 150% California minimum wage at the time of hire;
- Is hired for full-time work (paid hourly wages for an average of at least 35 hours per week, or is salaried and paid for full-time work);
- Meets one of the following qualification categories at the time of hire:
 - Unemployed for the previous six months or more:
 - Unemployed means not receiving wages, not self-employed, and not a full-time student; or
 - If the employee completed a college or similar program, the completion date must have been at least 12-months prior to date of hire;
 - Veteran, separated from the U.S. Armed Forces within the previous 12 months;
 - Received the federal Earned Income Tax Credit in the previous taxable year;
 - Ex-offender convicted of a felony; or
 - Current recipient of CalWORKs or county general assistance.

A Tentative Credit Reservation (TCR) is needed to qualify an employee for the employer to receive the credit. The employer must submit the information online and will receive an immediate confirmation. The employer must request a TCR within 30 days of completing the California Employment Development Department (EDD) [New Hire Reporting Requirements](#).

Qualifying employee wages are:

- That portion of wages paid or incurred that exceed 150% of California minimum wage, but do not exceed 350% of California minimum wage. The qualified wages are based on the actual wages paid, including overtime and commissions.
- Determine the hourly wage rate for a salaried employee. A reasonable method is to divide the annual salary by the hours upon which the salary is based, normally 2,000 hours.
- An employee can continue to generate qualified wages for 60 months from the original date of hire. A location is deemed to continue to be part of the DGA for purposes of the 60-month eligibility period, even if it is no longer part of the DGA for new hires.

The amount of credit is impacted by the number of qualified employees, qualified wages paid to those employees, the total number of full-time employees during for the "base year" (qualified or not) and the total number of full-time employees during the current taxable year.

The actual amount of credit is determined by the following calculation:

1. Compute qualified wages:
 - a. The actual wages paid to qualified employee(s) that exceed 150%, but do not exceed 350%, of California minimum wage.
 - b. An employee can earn qualified wages for 60 months after the date they are initially hired.
2. Multiply the qualified wages by 35%. This is your tentative credit amount.
3. Compute your applicable percentage:
 - a. The top number (numerator) is your net increase in full-time employees.
 - i. Take the number of full-time employees working in California and subtract the number of full-time employees working in California in your base year. If this number is zero or less, you do not receive credit for this taxable year.
 1. Your base year is the taxable year immediately before the year when the first qualified employee was hired. If you begin doing business in California during the taxable year, the number of full-time employees for the base year is zero.

2. Full-time employees for both the current year and your base year are calculated in annual full-time employee equivalents. These are computed as follows:
 - a. Hourly employee — The total number of hours worked during the year (not to exceed 2,000) divided by 2,000. For example, an employee who worked six months and 1,000 hours is equal to 0.5 annual full-time equivalents.
 - b. Salaried employee — The total number of weeks worked divided by 52, for example, an employee who works for 13 weeks in the year is equal to 0.25 annual full-time equivalents.
- ii. The bottom number (denominator) is the number of all your full-time California employees (both qualified and not qualified) as measured in full-time equivalents.
- b. Compute the allowable credit:
 - i. Your tentative credit amount multiplied by the applicable percentage equals your Allowable Credit.

The employer can claim the nonrefundable credit for employees hired on or after January 1, 2014, in taxable years beginning on or after January 1, 2014 and before January 1, 2026. If a qualified employee is terminated within the first 36 months after beginning employment, the employer may be required to recapture previously taken credits. The amount of credit that must be recaptured is the amount for that taxable year and all prior taxable years attributed to qualified wages paid to that employee.

Certain businesses are excluded businesses unless they are considered to be a small business. Businesses that do not qualify include Temporary Help, Retail Trade Services, Theater Companies and Dinner Theater, Food Services, Casinos and Casino Hotels and Alcoholic Beverage Drinking Places. All sexually-oriented businesses are excluded from being a qualified taxpayer regardless of their status as a small business.

A small business is defined as a trade or business that has aggregate gross receipts, less returns and allowances reportable to California of less than \$2 million during the previous taxable year. The determination of whether or not a business is considered "small" is made separately for each taxable year. For pass-through entities, the \$2 million limitation for a small business is determined at the entity level, as well as for any partner or shareholder.



For more information about the California New Employment Tax Credit, please visit the [California Franchise Tax Board Website for the New Employment Tax Credit](#).

Directory of Contacts for Employer Workforce Services

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California Department of Rehabilitation

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California Division of Apprenticeship Standards

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California Employment Development Department

Local employer services for Veterans,
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California Employment Training Panel

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Appendix

High Demand Occupations for Santa Cruz County

Santa Cruz County continues to see jobs returning to the local economy and prospects for lower unemployment are improving. Over the next five years, Santa Cruz County is projected to add more than 1,500 jobs. The occupations within the industry sectors identified by the Workforce Development Board of Santa Cruz County that have the best job prospects are shown below.

SOC	Agriculture	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
11-9013	Farmers, Ranchers, and Other Agricultural Managers	1,746	132	20	1.0%	\$40.10
45-2091	Agricultural Equipment Operators	383	62	14	3.5%	\$16.49
45-1011	First-Line Supervisors of Farming, Fishing, and Forestry Workers	207	28	2	1.0%	\$24.28
SOC	Business & Financial Operations	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
11-1021	General and Operations Managers	1,465	126	27	2.0%	\$58.22
13-1199	Business Operations Specialists, All Other	958	90	19	2.0%	\$33.61
13-2011	Accountants and Auditors	854	78	12	1.5%	\$38.61
13-1111	Management Analysts	679	65	29	4.0%	\$49.04
13-1161	Market Research Analysts and Marketing Specialists	441	52	33	7.5%	\$29.86
11-3031	Financial Managers	417	37	26	6.0%	\$65.19
43-3021	Billing and Posting Clerks	328	36	13	4.0%	\$21.97
13-1071	Human Resources Specialists	327	32	5	1.5%	\$37.31
41-3021	Insurance Sales Agents	188	20	7	4.0%	\$35.38
13-1151	Training and Development Specialists	172	18	5	3.0%	\$38.94
SOC	Education & Public Administration	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	1,734	229	26	1.5%	\$15.00
37-3011	Landscaping and Groundskeeping Workers	1,517	191	42	2.5%	\$16.11
25-9041	Teacher Assistants	1,142	118	11	1.0%	\$15.91
25-2021	Elementary School Teachers, Except Special Education	1,106	79	8	0.5%	\$39.47

25-2031	Secondary School Teachers, Except Special and Career/Technical Education	799	56	6	1.0%	\$38.89
25-2011	Preschool Teachers, Except Special Education	436	44	8	2.0%	\$17.88
25-3099	Teachers and Instructors, All Other	409	48	13	3.0%	\$30.10
25-3021	Self-Enrichment Education Teachers	378	46	18	4.5%	\$29.47
11-9141	Property, Real Estate, and Community Association Managers	336	26	6	1.5%	\$45.00
37-1012	First-Line Supervisors of Landscaping, Lawn Service, and Groundskeeping Workers	220	22	5	2.5%	\$22.07
SOC	Engineering & Environmental Science	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
17-2051	Civil Engineers	204	15	3	1.5%	\$50.82
17-2112	Industrial Engineers	121	8	1	1.0%	\$48.94
SOC	Services	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
39-5012	Hairdressers, Hairstylists, and Cosmetologists	469	58	10	2.0%	\$17.88
39-9031	Fitness Trainers and Aerobics Instructors	336	61	15	4.5%	\$21.54
39-1021	First-Line Supervisors of Personal Service Workers	297	32	15	5.0%	\$20.87
SOC	Healthcare	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
29-1141	Registered Nurses	1,569	100	81	5.0%	\$61.25
31-9092	Medical Assistants	697	93	67	9.0%	\$21.15
31-1014	Nursing Assistants	568	70	22	3.5%	\$18.80
43-6013	Medical Secretaries	563	70	36	6.0%	\$20.34
21-1093	Social and Human Service Assistants	409	58	34	8.0%	\$22.36
29-2061	Licensed Practical and Licensed Vocational Nurses	407	33	19	4.5%	\$28.51
31-9091	Dental Assistants	363	43	13	3.5%	\$21.30
29-2052	Pharmacy Technicians	310	25	6	2.0%	\$21.06
11-9111	Medical and Health Services Managers	235	24	22	9.0%	\$67.50
21-1021	Child, Family, and School Social Workers	234	28	14	6.0%	\$26.63
31-9011	Massage Therapists	214	25	11	5.0%	\$21.20
29-2021	Dental Hygienists	181	12	6	3.5%	\$51.01
11-9151	Social and Community Service Managers	172	18	14	8.0%	\$40.87

31-9096	Veterinary Assistants and Laboratory Animal Caretakers	140	25	10	7.0%	\$16.78
29-2071	Medical Records and Health Information Technicians	137	10	6	4.5%	\$22.84
29-2056	Veterinary Technologists and Technicians	135	13	10	7.0%	\$23.80
21-1011	Substance Abuse and Behavioral Disorder Counselors	126	17	13	10.0%	\$24.33
29-2099	Health Technologists and Technicians, All Other	119	10	11	9.0%	\$27.12
21-1023	Mental Health and Substance Abuse Social Workers	109	14	10	9.0%	\$24.28
SOC	Retail & Hospitality	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
35-3031	Waiters and Waitresses	2,316	444	31	1.5%	\$15.58
35-2014	Cooks, Restaurant	1,281	213	108	8.0%	\$15.91
43-4171	Receptionists and Information Clerks	784	104	13	1.5%	\$17.50
35-1012	First-Line Supervisors of Food Preparation and Serving Workers	725	109	25	3.5%	\$20.48
41-3099	Sales Representatives, Services, All Other	601	75	14	2.5%	\$35.00
35-3011	Bartenders	545	93	12	2.0%	\$16.20
11-9051	Food Service Managers	384	45	13	3.5%	\$28.08
35-1011	Chefs and Head Cooks	143	19	5	3.5%	\$32.55
SOC	Information/Technology and Science	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
15-1132	Software Developers, Applications	478	42	48	9.5%	\$55.38
15-1121	Computer Systems Analysts	340	24	9	2.5%	\$46.35
15-1151	Computer User Support Specialists	336	27	11	3.5%	\$27.50
15-1199	Computer Occupations, All Other	285	22	12	4.0%	\$49.23
15-1133	Software Developers, Systems Software	270	19	7	2.5%	\$50.38
11-3021	Computer and Information Systems Managers	265	22	9	3.5%	\$68.56
SOC	Manufacturing, Construction & Transportation	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
47-2061	Construction Laborers	1,018	112	33	3.0%	\$23.17
49-9071	Maintenance and Repair Workers, General	894	90	12	1.5%	\$21.06
47-2031	Carpenters	837	79	15	2.0%	\$29.38
53-3032	Heavy and Tractor-Trailer Truck Drivers	768	82	6	0.5%	\$22.31

47-1011	Supervisors of Construction and Extraction Workers	399	42	13	3.0%	\$36.49
11-9021	Construction Managers	396	29	10	2.5%	\$55.38
47-2152	Plumbers, Pipefitters, and Steamfitters	347	40	16	4.5%	\$27.21
47-2111	Electricians	345	41	10	3.0%	\$32.64
47-2141	Painters, Construction and Maintenance	309	27	3	1.0%	\$23.37
53-3041	Taxi Drivers and Chauffeurs	285	35	25	8.5%	\$18.75
53-3021	Bus Drivers, Transit and Intercity	264	33	6	2.5%	\$24.81
47-2073	Operating Engineers and Other Construction Equipment Operators	231	27	8	3.5%	\$31.68
49-9021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers	229	24	9	4.0%	\$31.78
SOC	Other	2020 Jobs	Annual Openings	5-Year Projected Job Growth	5-Year Projected Growth %	Avg. Hourly Earnings
11-9199	Managers, All Other	1,038	75	14	1.5%	\$55.82
27-2022	Coaches and Scouts	256	36	9	3.5%	\$22.07

These occupations are in industries with projected growth from 2020-2025, that pay a wage of at least \$15/hour, or \$31,225 annually (current 250% poverty guideline for Santa Cruz County), have an education/experience level at or below the Bachelor's Degree level, and currently have at least 100 employed in Santa Cruz County.

Source: Chmura JobsEQ®

Data as of 2020-Q1 unless noted otherwise

Note: Figures may not sum due to rounding.

1. Data based on a four-quarter moving average unless noted otherwise.
2. Wage data are as of 2018 and represent the average for all Covered Employment
3. Data represent found online ads active within the last thirty days in the selected region; data represents a sampling rather than the complete universe of postings. Ads lacking zip code information but designating a place (city, town, etc.) may be assigned to the zip code with greatest employment in that place for queries in this analytic. Due to alternative county-assignment algorithms, ad counts in this analytic may not match that shown in RTI (nor in the popup window ad list).

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