### California Resourcing Employment Social Enterprises Together (CA RESET)

## **Purpose**

California Resourcing Employment Social Enterprises Together (CA RESET) is a coalition advocating for capital, resources, and policy change to support the 150+ employment social enterprises in California.

# Background

CA RESET is primarily composed of California employment social enterprises (ESEs): evidence-based businesses with a social mission to provide jobs, income, and training to individuals overcoming high barriers to employment. Through paying jobs and supportive services—like financial literacy, housing, and counseling—ESEs help employees stabilize their lives, build skills, and develop a work history. When participants have the necessary tools and support to succeed, ESEs help their employees find, and keep, good jobs in the competitive market.

Evidence shows that ESEs effectively and efficiently promote economic, racial, and social equity. According to a <u>study</u> conducted by Mathematica Policy Research, ESEs offer a 123% return on investment (\$2.23 benefit for every dollar invested) for taxpayers, government, philanthropy, and the people they serve. The ESEs in this study employed individuals with the following profile: 25% had never been employed, 70% had been convicted of a crime, and 85% had experienced housing instability. CA RESET coalition members meet the needs of the California's most vulnerable populations; these entities are community-based and understand the unique needs of the local populations they serve.

# Challenge

While California has the fifth-largest economy in the world, many Californians — especially the populations to which ESE employees belong — have not reaped the benefits of the state's economic success. Amid the COVID-19 public health crisis, the state's inequities have only worsened, and ESEs and the populations they serve continue to face severe economic disruptions. Despite their proven ability to advance equitable economic opportunity, ESEs are often not included in government programs because they are structured as hybrids of business and social service organizations and incorporated as nonprofits and for profits.

### **Solution**

ESEs are engines of economic growth, equity, and mobility; they offer paid job training that prevents and ends homelessness and reduces recidivism. ESE closures would eliminate community assets that play a critical role in economic recovery by rapidly offering productive employment and immediate income when people need it most. These businesses also promote equity and help address structural inequities by connecting individuals overcoming high barriers to employment to quality jobs that lead to long-term employment and compensation. The Future of Work Commission's final recommendations propose that by 2030, the State extend financial and technical assistance to ESEs to create a job guarantee for all Californians with a desire to work. By leveraging the ESE model and including these entities in economic stimulus and recovery packages, we can catalyze social change and build an economy in which *all* Californians can find quality employment and cultivate self-sufficiency.

#### **Members**

CA RESET is composed of 31 organizations: Center for Living and Learning; Center for Employment Opportunities; Chrysalis; Civicorps; Coalition for Responsible Community Development; CSET; Downtown Streets Team; Downtown Women's Center; Farming Hope; First Step Staffing; Goodwill of San Francisco, San Mateo and Marin; General Assembly; Goodwill of Silicon Valley; Goodwill Southern California; Homeboy Industries; Homeward Bound of Marin; JVS San Francisco; JVS SoCal; Juma; Kitchens for Good; LA Conservation Corps; Long Beach Conservation Corps; New Earth; Positive Resource Center; Project Joy; Rancho Cielo; REDF (Roberts Enterprise Development Fund); San Jose Conservation Corps; San Francisco Conservation Crops; Small Business Majority; Year Up.

#### **RESET Contact**

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