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HOUSE BILL 2674

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State of Washington

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By Representatives Ruderman, McDonald, Kenney, Nixon, Kagi, Pettigrew, Eickmeyer, Jarrett, Hunter, Santos, Simpson, G., Morrell, Kessler, Miloscia and Edwards

Read first time 01/19/2004. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to self-employment assistance; and adding a new  
2 chapter to Title 50 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** Under federal law, the legislature may  
5 establish a self-employment assistance program as part of its  
6 unemployment insurance program. The legislature finds that the  
7 establishment of a self-employment assistance program would assist  
8 unemployed individuals and create new businesses and job opportunities  
9 in Washington state and, therefore, establishes such a program.

10 NEW SECTION. **Sec. 2.** The definitions in this section apply  
11 throughout this chapter unless the context clearly requires otherwise.

12 (1) "Allowance" means a self-employment assistance allowance  
13 payable in lieu of regular benefits and from the unemployment  
14 compensation fund established under RCW 50.16.010 to an individual  
15 participating in self-employment assistance activities who meets the  
16 requirements of this chapter.

17 (2) "Regular benefits" has the meaning provided in RCW 50.22.010.

1 (3) "Self-employment assistance activities" means activities  
2 approved by the commissioner in which an individual who is identified  
3 as likely to exhaust regular benefits participates for the purpose of  
4 establishing a business and becoming self-employed. Such activities  
5 shall include, but are not limited to, entrepreneurial training,  
6 business counseling, and technical assistance. Sources of such  
7 activities shall include, but are not limited to, community and  
8 technical colleges and other educational institutions, local economic  
9 development councils, and nonprofit microlending programs.

10 NEW SECTION. **Sec. 3.** The weekly allowance payable under this  
11 chapter to an individual is equal to the weekly benefit amount for  
12 regular benefits otherwise payable under RCW 50.20.120. The sum of  
13 allowances paid under this chapter and regular benefits paid under this  
14 title, with respect to any benefit year, shall not exceed the maximum  
15 benefit amount under RCW 50.20.120 with respect to that benefit year.

16 NEW SECTION. **Sec. 4.** The allowance described in this chapter is  
17 payable to an individual at the same intervals, on the same terms, and  
18 subject to the same conditions as regular benefits under this title,  
19 except that:

20 (1) The requirements of RCW 50.20.010 and 50.20.080 relating to  
21 availability for work, active search for work, and refusal to accept  
22 work are not applicable to the individual;

23 (2) The requirements of RCW 50.20.130 relating to deductions from  
24 weekly benefit amounts are not applicable to income earned from  
25 self-employment by the individual;

26 (3) An individual who meets the requirements of this chapter is  
27 considered to be unemployed under RCW 50.04.310 and 50.20.010; and

28 (4) An individual who fails to participate in self-employment  
29 assistance activities or who fails to actively engage on a full-time  
30 basis in activities, which may include training, relating to the  
31 establishment of a business and becoming self-employed shall be  
32 disqualified for the week the failure occurs.

33 NEW SECTION. **Sec. 5.** The aggregate number of individuals  
34 receiving the allowance under this chapter at any time may not exceed  
35 five percent of the number of individuals receiving regular benefits.

1        NEW SECTION.    **Sec. 6.** Allowances paid under this chapter are  
2 charged to employers in the same manner as regular benefits as provided  
3 under chapter 50.29 RCW.

4        NEW SECTION.    **Sec. 7.** This chapter applies after the effective  
5 date of this act or after any plan required by the United States  
6 department of labor is approved by the United States department of  
7 labor, whichever date is later.

8        NEW SECTION.    **Sec. 8.** The commissioner may adopt rules as  
9 necessary to implement this chapter.

10       NEW SECTION.    **Sec. 9.** If any part of this act is found to be in  
11 conflict with federal requirements that are a prescribed condition to  
12 the allocation of federal funds to the state or the eligibility of  
13 employers in this state for federal unemployment tax credits, the  
14 conflicting part of this act is inoperative solely to the extent of the  
15 conflict, and the finding or determination does not affect the  
16 operation of the remainder of this act. Rules adopted under this act  
17 must meet federal requirements that are a necessary condition to the  
18 receipt of federal funds by the state or the granting of federal  
19 unemployment tax credits to employers in this state.

20       NEW SECTION.    **Sec. 10.** Sections 1 through 9 of this act constitute  
21 a new chapter in Title 50 RCW.

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