

SSB 5653 - H COMM AMD
By Committee on Appropriations

ADOPTED 04/06/2007

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 50.20 RCW
4 to read as follows:

5 (1) The legislature finds that the establishment of a
6 self-employment assistance program would assist unemployed individuals
7 and create new businesses and job opportunities in Washington state.
8 The department shall inform individuals identified as likely to exhaust
9 regular unemployment benefits of the opportunity to enroll in
10 commissioner-approved self-employment assistance programs.

11 (2) An unemployed individual is eligible to participate in a
12 self-employment assistance program if it has been determined that he or
13 she:

14 (a) Is otherwise eligible for regular benefits as defined in RCW
15 50.22.010;

16 (b) Has been identified as likely to exhaust regular unemployment
17 benefits under a profiling system established by the commissioner as
18 defined in P.L. 103-152; and

19 (c) Is enrolled in a self-employment assistance program that is
20 approved by the commissioner, and includes entrepreneurial training,
21 business counseling, technical assistance, and requirements to engage
22 in activities relating to the establishment of a business and becoming
23 self-employed.

24 (3) Individuals participating in a self-employment assistance
25 program approved by the commissioner are eligible to receive their
26 regular unemployment benefits.

27 (a) The requirements of RCW 50.20.010 and 50.20.080 relating to
28 availability for work, active search for work, and refusal to accept
29 suitable work are not applicable to an individual in the
30 self-employment assistance program for the first fifty-two weeks of the

1 individual's participation in the program. However, enrollment in a
2 self-employment assistance program does not entitle the enrollee to any
3 benefit payments he or she would not be entitled to had he or she not
4 enrolled in the program.

5 (b) An individual who meets the requirements of this section is
6 considered to be "unemployed" under RCW 50.04.310 and 50.20.010.

7 (4) An individual who fails to participate in his or her approved
8 self-employment assistance program as prescribed by the commissioner is
9 disqualified from continuation in the program.

10 (5) An individual completing the program may not directly compete
11 with his or her separating employer for a specific time period and in
12 a specific geographic area. The time period may not, in any case,
13 exceed one year. Both the time period and the geographic area must be
14 reasonable, considering the following factors:

15 (a) Whether restraining the individual from performing services is
16 necessary for the protection of the employer or the employer's
17 goodwill;

18 (b) Whether the agreement harms the individual more than is
19 reasonably necessary to secure the employer's business or goodwill; and

20 (c) Whether the loss of the employee's services and skills injures
21 the public to a degree warranting nonenforcement of the agreement.

22 (6) The commissioner shall take all steps necessary in carrying out
23 this section to assure collaborative involvement of interested parties
24 in program development, and to ensure that the self-employment
25 assistance programs meet all federal criteria for withdrawal from the
26 unemployment fund. The commissioner may approve, as self-employment
27 assistance programs, existing self-employment training programs
28 available through community colleges, work force investment boards, or
29 other organizations and is not obligated by this section to expend any
30 departmental funds for the operation of self-employment assistance
31 programs, unless specific funding is provided to the department for
32 that purpose through federal or state appropriations.

33 (7) The commissioner may adopt rules as necessary to implement this
34 section.

35 **Sec. 2.** RCW 50.20.095 and 1980 c 74 s 4 are each amended to read
36 as follows:

37 Any individual registered at an established school in a course of

1 study providing scholastic instruction of twelve or more hours per
2 week, or the equivalent thereof, shall be disqualified from receiving
3 benefits or waiting period credit for any week during the school term
4 commencing with the first week of such scholastic instruction or the
5 week of leaving employment to return to school, whichever is the
6 earlier, and ending with the week immediately before the first full
7 week in which the individual is no longer registered for twelve or more
8 hours of scholastic instruction per week: PROVIDED, That registration
9 for less than twelve hours will be for a period of sixty days or
10 longer. The term "school" includes primary schools, secondary schools,
11 and "institutions of higher education" as that phrase is defined in RCW
12 50.44.037.

13 This disqualification shall not apply to any individual who:

14 (1) Is in approved training within the meaning of RCW 50.20.043;
15 (~~(1)~~)

16 (2) Is in an approved self-employment assistance program under
17 section 1 of this act; or

18 (3) Demonstrates to the commissioner by a preponderance of the
19 evidence his or her actual availability for work, and in arriving at
20 this determination the commissioner shall consider the following
21 factors:

22 (a) Prior work history;

23 (b) Scholastic history;

24 (c) Past and current labor market attachment; and

25 (d) Past and present efforts to seek work.

26 NEW SECTION. Sec. 3. By December 1, 2011, the employment security
27 department shall report to the house of representatives commerce and
28 labor committee and the senate labor, commerce, research and
29 development committee on the performance of the self-employment
30 assistance program. The report shall include an analysis of the
31 following:

32 (1) Self-employment impacts;

33 (2) Wage and salary outcomes;

34 (3) Benefit payment outcomes; and

35 (4) A cost-benefit analysis.

36 NEW SECTION. Sec. 4. This act takes effect January 1, 2008.

1 NEW SECTION. **Sec. 5.** The commissioner of employment security may
2 take the necessary steps to ensure that this act is implemented on its
3 effective date.

4 NEW SECTION. **Sec. 6.** This act expires July 1, 2012."

5 Correct the title.

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