

CERTIFICATION OF ENROLLMENT

SENATE BILL 6289

Chapter 40, Laws of 2012

62nd Legislature
2012 Regular Session

SELF-EMPLOYMENT TRAINING

EFFECTIVE DATE: 06/07/12

Passed by the Senate February 11, 2012
YEAS 48 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House February 27, 2012
YEAS 65 NAYS 31

FRANK CHOPP

Speaker of the House of Representatives

Approved March 15, 2012, 2:23 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6289** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

March 15, 2012

**Secretary of State
State of Washington**

SENATE BILL 6289

Passed Legislature - 2012 Regular Session

State of Washington

62nd Legislature

2012 Regular Session

By Senators Rolfes and Kastama

Read first time 01/17/12. Referred to Committee on Economic Development, Trade & Innovation.

1 AN ACT Relating to facilitating self-employment training; amending
2 RCW 50.20.250 and 50.62.030; amending 2007 c 248 s 3 (uncodified); and
3 repealing 2007 c 248 s 6 (uncodified).

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

5 NEW SECTION. **Sec. 1.** 2007 c 248 s 6 (uncodified) is repealed.

6 **Sec. 2.** RCW 50.20.250 and 2007 c 248 s 1 are each amended to read
7 as follows:

8 (1) The legislature finds that the establishment of a
9 self-employment assistance program would assist unemployed individuals
10 and create new businesses and job opportunities in Washington state.
11 The department ((shall)) must inform all individuals eligible under the
12 terms of RCW 50.20.010 of the availability of self-employment
13 assistance and entrepreneurial training programs and of the training
14 provisions of RCW 50.20.043 which would allow them to pursue
15 commissioner approved training. In addition, when individuals are
16 identified as likely to exhaust benefits under RCW 50.20.011, and when
17 individuals are otherwise eligible for commissioner-approved training
18 under RCW 50.20.043, the department must inform such individuals

1 (~~identified as likely to exhaust regular unemployment benefits~~) of
2 the opportunity to enroll in commissioner-approved self-employment
3 assistance programs.

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

7 (a) Is otherwise eligible for regular benefits as defined in RCW
8 50.22.010;

9 (b) Has been identified as likely to exhaust regular unemployment
10 benefits under a profiling system established by the commissioner as
11 defined in P.L. 103-152 or is otherwise eligible for commissioner-
12 approved training under RCW 50.20.043; and

13 (c) Is enrolled in a self-employment assistance program that is
14 approved by the commissioner, and includes entrepreneurial training,
15 business counseling, technical assistance, and requirements to engage
16 in activities relating to the establishment of a business and becoming
17 self-employed.

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

21 (a) The requirements of RCW 50.20.010 and 50.20.080 relating to
22 availability for work, active search for work, and refusal to accept
23 suitable work are not applicable to an individual in the
24 self-employment assistance program for the first fifty-two weeks of the
25 individual's participation in the program. However, enrollment in a
26 self-employment assistance program does not entitle the enrollee to any
27 benefit payments he or she would not be entitled to had he or she not
28 enrolled in the program.

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

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

34 (~~(5) (An individual completing the program may not directly compete~~
35 ~~with his or her separating employer for a specific time period and in~~
36 ~~a specific geographic area. The time period may not, in any case,~~
37 ~~exceed one year. Both the time period and the geographic area must be~~
38 ~~reasonable, considering the following factors:~~

1 ~~(a) Whether restraining the individual from performing services is~~
2 ~~necessary for the protection of the employer or the employer's~~
3 ~~goodwill;~~

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

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

8 ~~(6))~~) The commissioner (~~(shall)~~) must take all steps necessary in
9 carrying out this section to assure collaborative involvement of
10 interested parties in program development, and to ensure that the
11 self-employment assistance programs meet all federal criteria for
12 withdrawal from the unemployment fund. The commissioner may approve,
13 as self-employment assistance programs, existing self-employment
14 training programs available through community colleges, workforce
15 investment boards, or other organizations and is not obligated by this
16 section to expend any departmental funds for the operation of
17 self-employment assistance programs, unless specific funding is
18 provided to the department for that purpose through federal or state
19 appropriations.

20 ~~((7))~~) (6) The commissioner may adopt rules as necessary to
21 implement this section.

22 **Sec. 3.** 2007 c 248 s 3 (uncodified) is amended to read as follows:

23 By December 1, ~~((2011))~~ 2015, the employment security department
24 ~~((shall))~~ must report to ~~((the house of representatives commerce and~~
25 ~~labor committee and the senate labor, commerce, research and~~
26 ~~development committee))~~ relevant legislative committees on the
27 performance of the self-employment assistance program. The report
28 ~~((shall))~~ must include an analysis of the following:

- 29 (1) Self-employment impacts;
- 30 (2) Wage and salary outcomes;
- 31 (3) Benefit payment outcomes; and
- 32 (4) A cost-benefit analysis.

33 **Sec. 4.** RCW 50.62.030 and 1995 c 135 s 4 are each amended to read
34 as follows:

35 (1) Job service resources ~~((shall))~~ must be used to assist with the
36 reemployment of unemployed workers using the most efficient and

1 effective means of service delivery. The job service program of the
2 employment security department may undertake any program or activity
3 for which funds are available and which furthers the goals of this
4 chapter. These programs and activities (~~shall~~) must include, but are
5 not limited to:

6 ~~((1))~~ (a) Giving older unemployed workers and the long-term
7 unemployed the highest priority for all services made available under
8 this section. The employment security department (~~shall~~) must make
9 the services provided under this chapter available to the older
10 unemployed workers and the long-term unemployed as soon as they
11 register under the employment assistance program;

12 ~~((2))~~ (b) Supplementing basic employment services, with special
13 job search and claimant placement assistance designed to assist
14 unemployment insurance claimants to obtain employment;

15 ~~((3))~~ (c) Providing employment services, such as recruitment,
16 screening, and referral of qualified workers, to agricultural areas
17 where these services have in the past contributed to positive economic
18 conditions for the agricultural industry; and

19 ~~((4))~~ (d) Providing otherwise unobtainable information and
20 analysis to the legislature and program managers about issues related
21 to employment and unemployment.

22 (2) Individuals who are eligible for services under the federal
23 workforce investment act, P.L. 105-220 or its successor must be
24 provided the opportunity to enroll in self-employment assistance or
25 entrepreneurial training programs to prepare them for self-employment
26 on the same basis as they are provided the opportunity to enroll in
27 other training programs funded under the federal workforce investment
28 act. The department must work with local workforce development
29 councils to ensure that the contracting process with training providers
30 is efficient and that the number of entrepreneurial training providers
31 on the state's eligible training provider list is sufficient to meet
32 demand. Each local workforce development council must:

33 (a) Notify all individuals eligible for services under the
34 workforce investment act of the availability of self-employment
35 assistance and entrepreneurial training; and

36 (b) Establish and implement a plan for expending workforce
37 investment act funds on self-employment assistance and entrepreneurial

1 training at a rate that is commensurate with either the demand for such
2 services or the rate of self-employment within the council's workforce
3 development area.

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