

SENATE BILL REPORT

SB 6289

As Passed Senate, February 11, 2012

Title: An act relating to facilitating self-employment training.

Brief Description: Facilitating self-employment training.

Sponsors: Senators Rolfes and Kastama.

Brief History:

Committee Activity: Economic Development, Trade & Innovation: 1/26/12, 1/30/12 [DP].
Passed Senate: 2/11/12, 48-0.

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

Majority Report: Do pass.

Signed by Senators Kastama, Chair; Chase, Vice Chair; Baumgartner, Ranking Minority Member; Ericksen, Hatfield, Holmquist Newbry, Kilmer, Shin and Zarelli.

Staff: Jack Brummel (786-7428)

Background: The Legislature authorized self-employment assistance programs in 2007. Individuals enrolled in self-employment assistance programs approved by the Commissioner of Department of Employment Security (ESD) are eligible to continue receiving regular unemployment insurance benefits if they have been identified by the ESD as likely to exhaust their regular unemployment insurance benefits. Enrollment in a self-employment assistance program satisfies the weekly work search requirement that an individual must meet to be eligible to receive weekly benefits.

Enrollment in a self-employment assistance program does not entitle the enrollee to any additional benefit payments. The Commissioner of ESD must approve the self-employment assistance programs. ESD is not obligated to expend any funds on providing the self-employment assistance programs. Persons completing a self-employment program may not directly compete with their former employer.

The 2007 act authorizing self-employment assistance programs expires July 1, 2012.

Also in 2007, the Legislature directed the Workforce Training and Education Coordinating Board to develop policy objectives for the federal Workforce Investment Act (WIA) and

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ensure that entrepreneurial training opportunities are available through programs of each local work force investment board in the state.

Summary of Bill: The expiration provision of the 2007 act authorizing self-employment assistance programs is repealed.

Individuals eligible for unemployment insurance benefits must be informed of the availability of self-employment assistance programs, entrepreneurial training programs, and Commissioner approved training. Provisions relating to direct competition with a former employer are removed. ESD must report to the Legislature by December 1, 2015, on the performance of the self-employment assistance program.

Individuals who are eligible for federal WIA services must have the opportunity to enroll in self-employment assistance or entrepreneurial training programs on the same basis as they are provided the opportunity to enroll in other training programs.

ESD is directed to work with local workforce development councils to facilitate entrepreneurial training. Local workforce development councils notify individuals of the availability of self-employment and entrepreneurial training and develop a plan for providing such training at a rate equal to demand or the rate of self-employment within their service area.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Extending the SEAP program is important. This lays the foundation for a whole new generation of small businesses in the state. The bill will expand on the success of the current program. Self-employment is job creation. The Department of Labor has allowed for WIA funds being used for self-employment training. WIA is the right source of funds for self-employment training. This will open up opportunities for the creative geniuses in our communities.

Persons Testifying: PRO: Senator Rolfes, prime sponsor; Stuart Walton, William Hoke, WA Community Alliance for Self Help; Alan Smith, Mr Honey Do Repair Service; Lisa Smith, Enterprise for Equity; Teresa Lemmons, WA State Microenterprise Assn.