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SENATE BILL 6289

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 **Sec. 1.** 2007 c 248 s 6 (uncodified) is repealed.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