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**SUBSTITUTE SENATE BILL 5653**

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**State of Washington**

**60th Legislature**

**2007 Regular Session**

**By** Senate Committee on Economic Development, Trade & Management  
(originally sponsored by Senators Kauffman, Kastama, Brown, Berkey,  
Rockefeller, Keiser, Franklin, Kohl-Welles and Shin)

READ FIRST TIME 02/23/07.

1       AN ACT Relating to the establishment of a self-employment  
2 assistance program; amending RCW 50.20.095; adding a new section to  
3 chapter 50.20 RCW; creating a new section; providing an effective date;  
4 and providing an expiration date.

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

6       NEW SECTION. **Sec. 1.** A new section is added to chapter 50.20 RCW  
7 to read 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 inform individuals identified as likely to exhaust  
12 regular unemployment benefits of the opportunity to enroll in  
13 commissioner-approved self-employment assistance programs.

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

17       (a) Is otherwise eligible for regular benefits as defined in RCW  
18 50.22.010;

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

4 (c) Is enrolled in a self-employment assistance program that is  
5 approved by the commissioner, and includes entrepreneurial training,  
6 business counseling, technical assistance, and requirements to engage  
7 in activities relating to the establishment of a business and becoming  
8 self-employed.

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

12 (a) The requirements of RCW 50.20.010 and 50.20.080 relating to  
13 availability for work, active search for work, and refusal to accept  
14 suitable work are not applicable to an individual in the  
15 self-employment assistance program for the first fifty-two weeks of the  
16 individual's participation in the program. However, enrollment in a  
17 self-employment assistance program does not entitle the enrollee to any  
18 benefit payments he or she would not be entitled to had he or she not  
19 enrolled in the program.

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

22 (4) An individual who fails to participate in his or her approved  
23 self-employment assistance program as prescribed by the commissioner is  
24 disqualified from continuation in the program. Individuals completing  
25 a self-employment assistance program may not directly compete with  
26 their separating employer.

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

1 (6) The commissioner may adopt rules as necessary to implement this  
2 section.

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

5 Any individual registered at an established school in a course of  
6 study providing scholastic instruction of twelve or more hours per  
7 week, or the equivalent thereof, shall be disqualified from receiving  
8 benefits or waiting period credit for any week during the school term  
9 commencing with the first week of such scholastic instruction or the  
10 week of leaving employment to return to school, whichever is the  
11 earlier, and ending with the week immediately before the first full  
12 week in which the individual is no longer registered for twelve or more  
13 hours of scholastic instruction per week: PROVIDED, That registration  
14 for less than twelve hours will be for a period of sixty days or  
15 longer. The term "school" includes primary schools, secondary schools,  
16 and "institutions of higher education" as that phrase is defined in RCW  
17 50.44.037.

18 This disqualification shall not apply to any individual who:

19 (1) Is in approved training within the meaning of RCW 50.20.043;  
20 (~~(or)~~)

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

23 (3) Demonstrates to the commissioner by a preponderance of the  
24 evidence his or her actual availability for work, and in arriving at  
25 this determination the commissioner shall consider the following  
26 factors:

- 27 (a) Prior work history;
- 28 (b) Scholastic history;
- 29 (c) Past and current labor market attachment; and
- 30 (d) Past and present efforts to seek work.

31 NEW SECTION. **Sec. 3.** Sections 1 and 2 of this act take effect  
32 January 1, 2008.

33 NEW SECTION. **Sec. 4.** The commissioner of employment security may  
34 take the necessary steps to ensure that this act is implemented on its  
35 effective date.

1        NEW SECTION.   **Sec. 5.**   Sections 1 and 2 of this act expire July 1,  
2   2012.

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