

2021 -- H 6250

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- EMPLOYMENT SECURITY --
BENEFITS

Introduced By: Representatives Cortvriend, McEntee, Caldwell, Carson, Speakman,
Donovan, and Cassar

Date Introduced: April 16, 2021

Referred To: House Finance

(General Treasurer)

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 28-44 of the General Laws entitled "Employment Security -
2 Benefits" is hereby amended by adding thereto the following section:

3 **28-44-70.1. Self-employment assistance program.**

4 (a) Definitions. As used in this section, unless the context clearly requires otherwise:

5 (1) "Full-time basis" means that the individual is devoting such amount of time as is
6 customary to establish a business which will serve as a full-time occupation for that individual, but
7 in no case less than thirty-five (35) hours per week.

8 (2) "Regular benefits" means benefits, including dependents' allowances, payable to an
9 individual under chapters 42 through 44 of this title, or under any other state law, including benefits
10 payable to federal civilian employees and to ex-service persons pursuant to 5 U.S.C. § 8501 et seq.,
11 other than additional and extended benefits.

12 (3) "Self-employment assistance activities" means activities, including entrepreneurial
13 training, business counseling, and technical assistance, approved by the director in which an
14 individual, identified through a worker profiling system as likely to exhaust regular benefits,
15 participates for the purpose of establishing a business and become self-employed.

16 (4) "Self-employment assistance allowance" means an allowance payable in lieu of regular
17 benefits from the fund to an individual participating in employment assistance activities who meets
18 the requirements of this section.

1 (5) "Self-employment assistance program" means a program administered by the director
2 under which an eligible individual may receive employment assistance allowances pursuant to the
3 provisions of this section.

4 (b) There shall be in the department of labor and training, a self-employment assistance
5 program. Participants in the self-employment assistance program shall receive an allowance in lieu
6 of regular benefits as long as participants meet the conditions established by this section.

7 (c) An individual may receive a self-employment assistance allowance if that individual:

8 (1) Is eligible to receive regular benefits or would be eligible to receive regular benefits
9 except as provided in subsection (d) of this section;

10 (2) Is identified by a worker profiling system as an individual likely to exhaust regular
11 benefits;

12 (3) Has filed an application for participation in a self-employment assistance program
13 within forty-five (45) days of filing an initial application for regular benefits and has provided such
14 information as the director may prescribe;

15 (4) Has, at the time the application is filed, a balance of regular benefits equal to at least
16 eighteen (18) times the individual's weekly benefit amount and at least eighteen (18) weeks
17 remaining in the individual's benefit year;

18 (5) Has been accepted into a program approved by the director that will provide self-
19 employment assistance activities;

20 (6) Is participating in self-employment assistance activities;

21 (7) Is actively engaged on a full-time basis in activities, which may include training, related
22 to establishing a business and become self-employed; and

23 (8) Has filed a weekly claim for the self-employment assistance allowance and provided
24 the information the director prescribes.

25 (c) Amount of self-employment assistance allowance. The weekly allowance payable
26 under this section to an individual shall be an amount equal to the weekly benefit amount, including
27 dependents' allowances, payable to the individual for a week of total unemployment during the
28 benefit year pursuant to § 28-44-6.

29 (1) For those individuals participating in the self-employment assistance program while
30 collecting regular benefits under chapters 42 through 44 of this title, the sum of the allowance paid
31 under this section and regular benefits paid under chapters 42 through 44 of this title to an individual
32 with respect to any benefit year shall not exceed the maximum potential regular benefits, including
33 dependents' allowances, payable to that individual under chapters 42 through 44 of this title with
34 respect to the benefit year.

1 (d) Unemployment assistance shall be payable to participants in the self-employment
2 assistance program at the same interval, on the same terms, and subject to the same conditions as
3 regular benefits except that:

4 (1) The requirements of this chapter relating to availability for work and active search for
5 work shall not be applicable to the participant.

6 (2) The requirements of this chapter relating to refusal to accept work shall not be
7 applicable to the participant.

8 (3) The requirements of this chapter relating to disqualifying income shall not be applicable
9 to income earned from self-employment by the participant.

10 (4) A participant who meets the requirements of this section shall be considered
11 unemployed for the purposes of this chapter.

12 (5) A participant who fails to participate in self-employment assistance activities or who
13 fails to actively engage on a full-time basis in activities for three (3) or more weeks, which may
14 include training related to establishing a business and becoming self-employed, may be denied
15 benefits for the week the failure occurs or terminated from the program by the director. Individuals
16 who are terminated from or voluntarily leave the self-employment assistance program may receive,
17 if otherwise eligible, regular benefits with respect to the benefit year; provided, that the total amount
18 of regular benefits and self-employment assistance allowances paid to the individual shall not
19 exceed the maximum potential regular benefits, including dependents' allowances, payable to that
20 individual under chapters 42 through 44 of this title with respect to the benefit year.

21 (e) Financing costs of self-employment assistance allowances. Notwithstanding any
22 inconsistent provisions of chapters 42 through 44 of this title, self-employment assistance
23 allowances paid pursuant to this section shall be paid with money drawn from the fund and the
24 allowances shall be charged in the same manner as provided for regular benefits paid under chapters
25 42 through 44 of this title. Allowances attributable to federal military or federal civilian service
26 shall be charged to the appropriate federal account.

27 (f) Coordination with enhanced federal unemployment benefits. Whenever the federal
28 government provides enhanced federal unemployment benefits to individuals collecting regular
29 benefits under chapters 42 through 44 of this title, the director shall implement any rules and
30 regulations necessary to assure that individuals participating in the self-employment assistance
31 program and eligible to receive those enhanced benefits.

32 (g) The director shall promulgate rules and regulations necessary to implement this section,
33 including, but not limited to:

34 (1) Procedures for application to the self-employment assistance program.

- 1 (2) The definition of self-employment activities and self-employment assistance activities.
2 (3) Procedures for filing weekly claims for assistance while participating in the self-
3 employment assistance program.
4 (4) Any other matters that may require rules and regulations under the provisions of this
5 section.

6 SECTION 2. This act shall take effect on September 1, 2021.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- EMPLOYMENT SECURITY --
BENEFITS

1 This act would create a self-employment assistance program in the department of labor and
2 training (DLT) that would allow an eligible individual to receive allowances in lieu of regular
3 unemployment benefits while attending self-employment assistance activities for the purpose of
4 establishing a business and becoming self-employed.

5 This act would take effect on September 1, 2021.

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