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H.296

Introduced by Representatives Chesnut-Tangerman of Middletown Springs,  
Hill of Wolcott, and Ralph of Hartland

Referred to Committee on

Date:

Subject: Labor; unemployment compensation; Self-Employment Assistance  
Program

Statement of purpose of bill as introduced: This bill proposes to reenact  
Vermont’s Self-Employment Assistance Program.

An act relating to creating the Self-Employment Assistance Program

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 21 V.S.A. § 1340a is added to read:

§ 1340a. SELF-EMPLOYMENT ASSISTANCE PROGRAM

(a) As used in this section:

(1) “Full-time basis” means that the individual is devoting the necessary  
time as determined by the Commissioner to establish a business that will serve  
as a full-time occupation for that individual.

(2) “Regular benefits” shall have the same meaning as in subdivision  
1421(5) of this title.

1           (3) “Self-employment assistance activities” means activities approved  
2           by the Commissioner in which an individual participates for the purpose of  
3           establishing a business and becoming self-employed, including entrepreneurial  
4           training, business counseling, and technical assistance.

5           (4) “Self-employment assistance allowance” means an allowance  
6           payable in lieu of regular benefits from the Unemployment Compensation  
7           Trust Fund to an individual who meets the requirements of this section.

8           (5) “Self-Employment Assistance Program” means the program under  
9           which an individual who meets the requirements of subsection (d) of this  
10           section is eligible to receive an allowance in lieu of regular benefits for the  
11           purpose of assisting that individual in establishing a business and becoming  
12           self-employed.

13           (b) The weekly amount of the self-employment assistance allowance  
14           payable to an individual shall be equal to the weekly benefit amount for regular  
15           benefits otherwise payable pursuant to this title.

16           (c) The maximum amount of the self-employment assistance allowance  
17           paid pursuant to this section shall not exceed the maximum amount of benefits  
18           established pursuant to section 1340 of this title with respect to any benefit  
19           year.

20           (d)(1) An individual may receive a self-employment assistance allowance if  
21           that individual:

1           (A) is eligible to receive regular benefits or would be eligible to  
2           receive regular benefits except for the requirements described in subdivisions  
3           (2)(A) and (B) of this subsection (d);

4           (B) is identified by a worker profiling system as an individual likely  
5           to exhaust regular benefits;

6           (C) has received the approval of the Commissioner to participate in a  
7           program providing self-employment assistance activities;

8           (D) is engaged actively on a full-time basis in activities that  
9           may include training related to establishing a business and becoming  
10          self-employed; and

11          (E) has filed a weekly claim for the self-employment assistance  
12          allowance and provided the information the Commissioner requires.

13          (2) A self-employment allowance shall be payable to an individual at the  
14          same interval, on the same terms, and subject to the same conditions as regular  
15          benefits pursuant to this chapter, except:

16                (A) the requirements of section 1343 of this title, relating to  
17                availability for work, efforts to secure work, and refusal to accept work, are not  
18                applicable to the individual; and

19                (B)(i) the individual is not considered to be self-employed pursuant  
20                to subdivision 1301(24) of this title;

1           (ii) an individual who meets the requirements of this section shall  
2           be considered to be unemployed pursuant to section 1338 of this title; and

3           (iii) an individual who fails to participate in self-employment  
4           assistance activities or who fails to engage actively on a full-time basis in  
5           activities, including training, relating to the establishment of a business and  
6           becoming self-employed shall be disqualified from receiving an allowance for  
7           the week in which the failure occurs.

8           (e) The self-employment assistance allowance may be paid to 35  
9           qualified individuals at any time.

10          (f)(1) The self-employment assistance allowance shall be charged to the  
11          Unemployment Compensation Trust Fund.

12          (2) In the event that the self-employment assistance allowance cannot be  
13          charged to the Unemployment Compensation Trust Fund pursuant to  
14          subdivision (1) of this subsection, the allowance shall be charged in  
15          accordance with section 1325 of this title.

16          (g) The Commissioner shall approve any program that will provide  
17          self-employment assistance activities to qualified individuals.

18          (h) The Commissioner shall adopt rules to implement this section.

19          (i) The Commissioner may suspend the Self-Employment Assistance  
20          Program with approval of the Secretary of Administration and notice to the  
21          House Committee on Commerce and Economic Development and the Senate

1 Committee on Finance in the event that the Program presents unintended  
2 adverse consequences to the Unemployment Compensation Trust Fund.

3 Sec. 2. EFFECTIVE DATE

4 This act shall take effect on July 1, 2019.