

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 1981

S.P. 752

Received by the Secretary, March 16, 1994

An Act to Establish a Self-employment Assistance Program.

Referred to the Committee on Labor and 1200 ordered printed pursuant to Joint Rule 14.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator CARPENTER of York. (GOVERNOR'S BILL).
Cosponsored by Senator: HANDY of Androscoggin, Representatives: RUHLIN of Brewer,
ZIRNKILTON of Mount Desert.

Be it enacted by the People of the State of Maine as follows:

2
4 **Sec. 1. 26 MRSA §1082, sub-§1**, as repealed and replaced by PL 1983, c. 816, Pt. A, §21, is amended to read:

6 **1. Powers and duties of the commissioner.** Except as
8 otherwise provided, it ~~shall-be~~ is the duty of the Commissioner
10 of Labor to administer this chapter, through an organization to
12 be known as the Bureau of Employment Security. The commissioner
14 shall appoint a Director of Employment Security to serve at ~~his~~
the commissioner's pleasure. The commissioner may employ such
16 persons, make such expenditures, require such reports, make such
18 investigations and take such other actions as ~~he--deems~~ the
20 commissioner determines necessary or suitable to that end. The
22 commissioner ~~shall-be~~ is responsible and ~~shall-possess~~ possesses
24 the necessary authority for the operation and management of the
26 Bureau of Employment Security. The commissioner shall determine
28 methods of operational procedures in accordance with the
30 provisions of this chapter. The commissioner may adopt rules in
32 accordance with the Maine Administrative Procedure Act, Title 5,
34 chapter 375, to achieve this purpose, except rules pertaining to
unemployment insurance as provided in subsection 2. The
commissioner may adopt rules with respect to a self-employment
assistance program as provided in section 1197. The commissioner
shall determine methods of operational procedures in accordance
with the provisions of this chapter and by the Maine
Administrative Procedure Act, Title 5, chapter 375. The
commissioner shall make such recommendations for amendments to
this chapter as ~~he--deems~~ the commissioner determines proper.
Whenever When the commissioner believes that a change in
contribution or benefit rates ~~will-beeome~~ is necessary to protect
the solvency of the fund, ~~he~~ the commissioner shall promptly ~~se~~
inform the Governor and the Legislature and make recommendations
with respect ~~thereto~~ to the change in rates.

36 **Sec. 2. 26 MRSA §1197** is enacted to read:

38 **§1197. Self-employment assistance program**

40 **1. Definitions.** As used in this section, unless the
42 context otherwise indicates, the following terms have the
following meanings.

44 A. "Self-employment assistance activities" means activities
46 approved by the commissioner in which an individual
48 participates for the purpose of establishing a business and
becoming self-employed. "Self-employment assistance
50 activities" must include, but are not limited to,
entrepreneurial training, business counseling and technical
assistance.

2 B. "Self-employment assistance allowance" means an
4 allowance payable, in lieu of regular benefits, from the
 Unemployment Compensation Fund to an individual who meets
 the requirements of this section.

6
8 C. "Self-employment assistance program" means a program
 under which an individual who meets the requirements
10 described in subsection 4 is eligible to receive an
 allowance in lieu of regular benefits for the purpose of
12 assisting that individual in establishing a business and
 becoming self-employed.

14 D. "Regular benefits" means benefits payable to an
 individual under this chapter, including benefits payable to
16 federal civilian employees and to former members of the
 United States Armed Forces pursuant to the United States
18 Code, Chapter 85, other than additional benefits, extended
 benefits and extended benefits for dislocated workers.

20
22 2. Weekly amount of self-employment assistance allowance.
 The weekly amount of a self-employment assistance allowance
24 payable to an individual under this section is equal to the
 weekly benefit amount for regular benefits otherwise payable
26 under section 1191, subsection 2, plus any supplemental benefits
 for dependents payable under section 1191, subsection 6.

28 3. Maximum amount of benefits. The sum of the
 self-employment assistance allowances paid under this section,
30 excluding supplemental benefits for dependents, and regular
 benefits paid under this chapter may not exceed the maximum
32 amount of benefits established under section 1191, subsection 4
 with respect to any benefit year.

34
36 4. Eligibility. The following eligibility requirements
 apply to the payment of a self-employment assistance allowance
 under this section.

38
40 A. An individual may receive a self-employment assistance
 allowance if that individual:

42 (1) Is eligible to receive regular benefits or would
 be eligible to receive regular benefits except for the
44 requirements described in paragraph B;

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

48
50 (3) Has filed an application for participation in a
 self-employment assistance program within 60 days of

2 filing an initial application for regular benefits and
3 has provided the information the commissioner may
4 prescribe;

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

10 (5) Has been accepted into a program approved by the
11 commissioner that will provide self-employment
12 assistance activities;

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

16 (7) Is actively engaged on a full-time basis in
17 activities, which may include training, related to
18 establishing a business and becoming self-employed; and

20 (8) Has filed a weekly claim for the self-employment
21 assistance allowance and provided the information the
22 commissioner prescribes, including a log of
23 self-employment activities.

26 B. A self-employment assistance allowance is payable to an
27 individual at the same interval, on the same terms and
28 subject to the same conditions as regular benefits except
29 that:

30 (1) The requirements of section 1192, subsection 3
31 relating to availability for work and active search for
32 work are not applicable to the individual;

34 (2) The requirements of section 1193, subsection 3
35 relating to refusal to accept work are not applicable
36 to the individual;

38 (3) The requirements of section 1191, subsection 3 and
39 section 1043, subsection 17 relating to self-employment
40 income are not applicable to the individual;

42 (4) An individual is considered unemployed for the
43 purposes of section 1192; and

44 (5) An individual who fails to participate in
45 self-employment assistance activities or who fails to
46 actively engage on a full-time basis in activities,
47 which may include training, related to establishing a
48 business and becoming self-employed is denied benefits
49 for the week the failure occurs.

2 5. Limitation on number of individuals receiving a
3 self-employment assistance allowance. The aggregate number of
4 individuals receiving a self-employment assistance allowance at
5 any time may not exceed 5% of the number of individuals receiving
6 regular benefits at that time.

8 6. Financing costs of a self-employment assistance
9 allowance. A self-employment assistance allowance must be
10 charged or assessed to an employer's account in accordance with
11 section 1221. An allowance attributable to the United States
12 Armed Forces or civilian service must be charged to the
13 appropriate federal account.

14 7. Effective date and termination date. This section is
15 effective for the weeks beginning after the date of enactment or
16 after any plan required by the United States Department of Labor
17 is approved, whichever date is later. This section terminates as
18 of the effective date of the withdrawal of approval of any plan
19 required by the United States Department of Labor or as of the
20 week containing the date when federal law no longer authorizes
21 self-employment assistance programs.

22 8. Appeal. A determination that an individual has not been
23 accepted into a program approved by the commissioner that
24 provides self-employment assistance activities may not be
25 appealed under any provisions of this chapter.

26 9. Adopt rules. The commissioner may adopt rules in
27 accordance with the Maine Administrative Procedure Act to
28 implement a self-employment assistance program, including, but
29 not limited to, criteria for approval of programs that provide
30 self-employment assistance activities, eligibility criteria for
31 acceptance into and participation in these programs and the
32 review and appeal process for determinations of individual
33 eligibility for these programs.

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40 STATEMENT OF FACT

41 This bill establishes a self-employment assistance program.
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51 This document has not yet been reviewed to determine the
52 need for cross-reference, stylistic and other technical
53 amendments to conform existing law to current drafting standards.