

By: Neave

H.B. No. 3890

A BILL TO BE ENTITLED

AN ACT

relating to a self-employment assistance program for unemployed individuals.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 207.021(a), Labor Code, is amended to read as follows:

(a) Except as provided by Chapters [~~Chapter~~] 215 and 216, an unemployed individual is eligible to receive benefits for a benefit period if the individual:

(1) has registered for work at an employment office and has continued to report to the employment office as required by rules adopted by the commission;

(2) has made a claim for benefits under Section 208.001;

(3) is able to work;

(4) is available for work;

(5) is actively seeking work in accordance with rules adopted by the commission;

(6) for the individual's base period, has benefit wage credits:

(A) in at least two calendar quarters; and

(B) in an amount not less than 37 times the individual's benefit amount;

(7) after the beginning date of the individual's most

1 recent prior benefit year, if applicable, earned wages in an amount
2 equal to not less than six times the individual's benefit amount;

3 (8) has been totally or partially unemployed for a
4 waiting period of at least seven consecutive days; and

5 (9) participates in reemployment services, such as a
6 job search assistance service, if the individual has been
7 determined, according to a profiling system established by the
8 commission, to be likely to exhaust eligibility for regular
9 benefits and to need those services to obtain new employment,
10 unless:

11 (A) the individual has completed participation
12 in such a service; or

13 (B) there is reasonable cause, as determined by
14 the commission, for the individual's failure to participate in
15 those services.

16 SECTION 2. Subtitle A, Title 4, Labor Code, is amended by
17 adding Chapter 216 to read as follows:

18 CHAPTER 216. SELF-EMPLOYMENT ASSISTANCE PROGRAM

19 Sec. 216.001. DEFINITIONS. In this chapter:

20 (1) "Self-employment activity" means a
21 commission-approved activity that furthers an individual's goal to
22 start a business.

23 (2) "Self-employment assistance allowance" means an
24 unemployment compensation benefit payable to an individual engaged
25 in a self-employment activity.

26 Sec. 216.002. SELF-EMPLOYMENT ASSISTANCE PROGRAM. (a) The
27 commission shall establish and administer a self-employment

1 assistance program to provide financial assistance to an eligible
2 individual seeking to start a business.

3 (b) Subject to the requirements of this chapter, an
4 individual participating in the self-employment assistance program
5 may receive a self-employment assistance allowance in lieu of and
6 in an amount equal to the individual's benefit amount.

7 (c) Any self-employment assistance allowance payments made
8 to an individual under this chapter are included for purposes of
9 determining whether the individual has received the maximum amount
10 of benefits for which the individual is eligible as provided by
11 Section 207.005.

12 Sec. 216.003. COMMISSION DUTIES. (a) The commission by
13 rule shall establish eligibility criteria for an individual
14 participating in the self-employment assistance program.

15 (b) The commission shall establish weekly self-employment
16 activity requirements for an individual to qualify to receive a
17 self-employment assistance allowance.

18 (c) The commission shall adopt rules as necessary to comply
19 with any federal requirement applicable to a self-employment
20 assistance program.

21 Sec. 216.004. ELIGIBILITY. (a) An individual is eligible
22 to participate in the self-employment assistance program if the
23 individual:

24 (1) is likely to exhaust the individual's regular
25 benefits; and

26 (2) meets any eligibility criteria established by the
27 commission.

1 (b) An individual is eligible to receive a self-employment
2 assistance allowance for a week in which the individual is engaged
3 in a self-employment activity and meets all the eligibility
4 requirements under Chapter 207 to receive benefits other than the
5 requirements of Sections 207.021(a)(4) and (5).

6 Sec. 216.005. LIMITATION ON PARTICIPATION. At any time,
7 the aggregate number of individuals receiving self-employment
8 assistance allowances may not exceed five percent of the number of
9 individuals receiving regular benefits under this subtitle.

10 SECTION 3. Not later than June 30, 2018, the Texas Workforce
11 Commission shall adopt the rules required by Chapter 216, Labor
12 Code, as added by this Act.

13 SECTION 4. This Act takes effect September 1, 2017.