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By:  Neave H.B. No. 3927

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

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

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

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

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

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

CHAPTER 216. SELF-EMPLOYMENT ASSISTANCE PROGRAM

Sec. 216.001.  DEFINITIONS. In this chapter:

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

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

Sec. 216.002.  SELF-EMPLOYMENT ASSISTANCE PROGRAM. (a) The commission shall establish and administer a self-employment assistance program to provide financial assistance to an eligible individual seeking to start a business.

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

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

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

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

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

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

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

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

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

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

SECTION 3.  Not later than June 30, 2020, the Texas Workforce Commission shall adopt the rules required by Chapter 216, Labor Code, as added by this Act.

SECTION 4.  This Act takes effect September 1, 2019.