

2012 -- H 7563

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

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

Introduced By: Representatives Cimini, Hull, and Bennett

Date Introduced: February 15, 2012

Referred To: House Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 28-44-70 of the General Laws in Chapter 28-44 entitled
2 "Employment Security - Benefits" is hereby amended to read as follows:

3 **28-44-70. Entrepreneurial training assistance program.** -- (a) Definitions. - As used in
4 this section, unless the context clearly requires otherwise:

5 (1) "Entrepreneurial training assistance program" means a program administered by the
6 director under which an eligible individual may receive employment assistance allowances
7 pursuant to the provisions of this section.

8 (2) "Employment assistance activities" means activities, including entrepreneurial
9 training, business counseling, and technical assistance, approved by the director in which an
10 individual identified through a worker profiling system as likely to exhaust regular benefits
11 participates for the purpose of establishing a business and become self-employed.

12 (3) "Employment assistance allowance" means an allowance payable in lieu of regular
13 benefits from the fund or an allowance payable in lieu of emergency unemployment
14 compensation benefits to an individual participating in employment assistance activities who
15 meets the requirements of this section.

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

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

5 (6) "Emergency unemployment compensation" means benefits, including dependents'
6 allowances, payable to an individual as authorized by the unemployment compensation extension
7 act of 2008 and in accordance with regulations established by the secretary of labor.

8 (b) Eligibility requirements for employment assistance allowances. - Employment
9 assistance allowances shall be payable to an individual at the same interval, on the same terms,
10 and subject to the same conditions as regular benefits under chapters 42 -- 44 of this title, except
11 that:

12 (1) The requirements of sections 28-44-12 and 28-44-20 relating to availability for work,
13 active search for work, and refusal to accept suitable work are not applicable to the individual;

14 (2) The requirements of sections 28-42-3(25), 28-42-3(27) and 28-44-7 relating to
15 income are not applicable to income earned from self-employment by the individual;

16 (3) An individual who meets the requirements of this section shall be considered to be
17 totally unemployed pursuant to section 28-42-3(27); and

18 (4) An individual who fails to participate in employment assistance activities or who
19 fails to actively engage on a full-time basis in activities, which may include training, relating to
20 the establishment of a business and becoming self-employed or who fails to provide information
21 that the director requires shall be disqualified for the week the failure occurs and for each
22 subsequent week until the individual shows to the satisfaction of the director that the individual
23 meets the requirements of this section.

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

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

34 (2) For those individuals participating in the entrepreneurial training assistance program

1 while collecting emergency unemployment compensation benefits under the unemployment
2 compensation extension act of 2008, the allowance paid under this section to an individual, with
3 respect to any benefit year, shall not exceed an amount equal to twenty-six (26) times the
4 individual's regular weekly benefit amount, including dependents' allowances, payable to that
5 individual under chapter 42-44 of this title, with respect to the benefit year. Any individual who
6 chooses to terminate his or her participation in the entrepreneurial training assistance program, or
7 who has completed participation in the program, and who continues to meet the emergency
8 unemployment compensation eligibility requirements, shall be permitted to receive his or her
9 emergency unemployment compensation benefits with respect to subsequent weeks of
10 unemployment.

11 (d) Termination from the entrepreneurial training assistance program. - The director may
12 terminate any individual from the entrepreneurial training assistance program who fails to meet
13 requirements of the program for three (3) or more weeks. Individuals who are terminated from or
14 voluntarily leave the entrepreneurial training assistance program may receive, if otherwise
15 eligible, regular benefits with respect to the benefit year; provided, that the total amount of
16 regular benefits and employment assistance allowances paid to the individual shall not exceed the
17 maximum potential regular benefits, including dependents' allowances, payable to that individual
18 under chapters 42 -- 44 of this title with respect to the benefit year.

19 (e) Limitation on receipt of employment assistance allowances. - (1) The aggregate
20 number of individuals receiving employment assistance allowances under this section and under
21 the regular benefits program under chapter 42-44 of this title for any week shall not exceed five
22 percent (5.0%) of the total number of individuals receiving regular benefits under chapters 42 --
23 44 of this title for that week. The director shall, through regulations, prescribe any actions that are
24 necessary to assure the requirements of this subsection are met.

25 (2) The aggregate number of individuals receiving employment assistance allowances
26 under this section and under the emergency unemployment compensation program for any week
27 shall not exceed one percent (1.0%) of the total number of individuals receiving emergency
28 unemployment compensation benefits.

29 (3) The director shall, through regulations, prescribe any actions that are necessary to
30 assure the requirements of this subdivision are met.

31 (f) Financing costs of employment assistance allowances. - Notwithstanding any
32 inconsistent provisions of chapters 42 -- 44 of this title, employment assistance allowances paid
33 pursuant to this section shall be paid with money drawn from the fund and the allowances shall be
34 charged in the same manner as provided for regular benefits paid under chapters 42 -- 44 of this

1 title. Allowances attributable to federal military or federal civilian service [or paid under the](#)
2 [unemployment compensation extension act of 2008](#) shall be charged to the appropriate federal
3 account.

4 (g) Effective date and termination date. - The provisions of this section shall apply to
5 weeks beginning after June 22, 1994, or to weeks beginning after any plan required by the United
6 States Department of Labor is approved by the department, whichever date is later; provided, that
7 nothing contained in this section shall be construed to require the director to operate an
8 entrepreneurial training assistance program as allowed under this section. The authority provided
9 by this section shall terminate:

10 (1) As of the effective date of the withdrawal of approval of any plan required by the
11 United States Department of Labor; or

12 (2) As of the week containing the date when federal law no longer authorizes the
13 provisions of this section.

14 SECTION 2. This act shall take effect upon passage.

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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 allow individuals to participate in the entrepreneurial training assistance
2 program while receiving federal emergency unemployment compensation benefits. Currently,
3 individuals can only receive regular benefits while participating in the program.

4 This act would take effect upon passage.

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