*** § 591-a. Self-employment assistance program.** 1. The department is hereby authorized and empowered to establish and operate a self-employment assistance program as authorized pursuant to subsection (t) of section 3306 of the internal revenue code.

2. For the purposes of this section, the term "self-employment assistance program" means a program under which:

(a) individuals who meet the requirements described in paragraph (c) of this subdivision are eligible to receive an allowance in lieu of regular unemployment benefits for the purpose of assisting such individuals in establishing a business and becoming self-employed;

(b) the allowance payable to individuals pursuant to paragraph (a) of this subdivision is payable in the same amount, at the same interval, on the same terms, and subject to the same conditions, as regular unemployment benefits and the sum of any allowance paid under this section and regular benefits, as defined in this section, paid for any benefit year shall not exceed the maximum amount of benefits payable under this article, except:

(i) requirements relating to total unemployment, as defined in section five hundred twenty-two of this article, availability for work and search for work, as set forth in subdivision two of section five hundred ninety-one of this title and refusal to accept work, as set forth in subdivision two of section five hundred ninety-three of this title, are not applicable to such individuals;

(ii) requirements relating to disqualifying income, as set forth in sections five hundred twenty-five and five hundred ninety of this article, are not applicable to income earned from self-employment entered into by such individuals as a result of their participation in self-employment assistance programs as defined in this section; and

(iii) such individuals are considered to be unemployed for the purposes of laws applicable to unemployment benefits, as long as such individuals meet the requirements applicable under this subdivision;

(c) individuals may receive the allowance described in paragraph (a) of this subdivision if such individuals:

(i) are eligible to receive regular unemployment benefits or would be eligible to receive such benefits except for the requirements set forth in subparagraphs (i) and (ii) of paragraph (b) of this subdivision. For

purposes of this section, regular unemployment benefits means benefits payable under this article, including benefits payable to federal civilian employees and to ex-servicemen and servicewomen pursuant to 5 USC Chapter 85, and benefits authorized to be used for the self-employment assistance program pursuant to the Federal-State Extended Unemployment Compensation Act of 1970 but excluding additional benefits;

(ii) are identified pursuant to a worker profiling system as individuals likely to exhaust regular unemployment benefits;

(iii) are participating in self-employment assistance activities approved by the department and by the department of economic development which include but need not be limited to entrepreneurial training, business counseling, and technical assistance, including financing assistance for qualified individuals as appropriate, offered by entrepreneurship assistance centers established pursuant to section two hundred eleven of the economic development law, state university of New York small business development centers, programs offered by community-based organizations, local development corporations, and boards of cooperative educational services (BOCES) as established pursuant to section one thousand nine hundred fifty of the education law; and, unless otherwise required by federal law or regulation, no individual shall be prohibited from or disqualified from eligibility for the program if prior to applying for the program, an individual has printed business cards or has a website that is designed but not active, and neither are being used to solicit or conduct business;

(iv) are actively engaged on a full-time basis in activities, which may include training, relating to the establishment of a business and becoming self-employed;

(v) are not individuals who have previously participated in self-employment assistance programs pursuant to this section; and

(d) the aggregate number of individuals receiving the allowance under the program does not at any time exceed five percent of the number of individuals receiving regular unemployment benefits at such time.

3. Each self-employment assistance program applicant shall provide at a minimum, in such form and at such time as the commissioner may prescribe, the following information:

(a) a description of the proposed self-employment;

(b) a description of such applicant's knowledge of experience in self-employment or such applicant's knowledge of and experience with the particular product to be manufactured, produced, processed, distributed or sold or service to be provided;

(c) the names and addresses of such applicant's previous employers during the two years immediately preceding the date of applying for regular unemployment insurance benefits; and a

(d) a description of each applicant's work activity and the applicant's previous employer's activity at the work locations to which the applicant was assigned during said two year period.

4. Among individuals seeking participation in a self-employment assistance program, the department shall give preference to those individuals who propose businesses not likely to compete directly with the business of any base period employer of the individual.

* NB Repealed December 7, 2027