OFFICE OF UNEMPLOYMENT INSURANCE SELF-EMPLOYMENT ASSISTANCE (SEA)

WHAT IS THE SEA PROGRAM?

The Self-Employment Assistance (SEA) program offers qualifying dislocated workers the opportunity for early re-employment through self-employment. The program is designed to encourage and enable unemployed workers to create their own jobs by starting their own small businesses. States operating an SEA program can pay an SEA allowance, instead of regular unemployment insurance (UI) benefits, to help unemployed workers while they are establishing businesses and becoming self-employed. Participants receive weekly allowances while getting their businesses off the ground.

ELIGIBILTY REQUIREMENTS

To receive these benefits, an individual must first be eligible to receive regular unemployment insurance under State law. Individuals who have been permanently separated from their previous employment and are identified as likely to exhaust regular unemployment benefits—along with other program requirements as designated by the state—are eligible to apply for the program. Participants in SEA must engage in full-time self-employment activities in accordance with the state's SEA program - including entrepreneurial training, business counseling, business plan development, etc.

APPLICATION PROCESS

SEA is a voluntary state program administered by the State's UI agency. As of September 2019, there are five SEA states. For more information on each state's SEA program and requirements, visit the state's UI agency's website.

- ◆ <u>Delaware</u> (Note: See agency "Contact" instructions to obtain SEA program information)
- ♦ Mississippi
- ♦ New Hampshire
- New York
- Oregon

States interesteted in establishing an SEA program should visit the Self-Employment Assistance Center on Workforce GPS and contact their DOL Regional Office.

You can obtain additional SEA information through the Self-Employment Assistance Center. The U.S. Department of Labor, in partnership with the Small Business Administration, created the Self-Employment Assistance Center to provide information, resources, and tools to help build state entrepreneurial programs for individuals eligible for Unemployment Insurance compensation. The Self-Employment Assistance Center is located at https://sea.workforcegps.org/

SEA information can also be found at https://ows.doleta.gov/unemploy/self.asp.

LEGAL AUTHORITY

P.L. 103-182, the North American Free Trade Agreement Implementation Act, created the SEA program on December 8, 1993. It was permanently authorized by P.L. 105-306, the Noncitizen Benefit Clarification and Other Technical Amendments Act, which was signed on October 28, 1998. Like the rest of UC, the SEA program is financed by federal taxes under the Federal Unemployment Tax Act (FUTA) and by state payroll taxes under the State Unemployment Tax Acts (SUTA). Most recently, provisions in P.L. 112-96, the Middle Class Tax Relief and Job Creation Act of 2012, gave states the authority to expand SEA participation to certain claimants in the Extended Benefit (EB) and temporarily authorized Emergency Unemployment Compensation (EUC08) programs.

Fact Sheet