

Washington State

Workforce Innovation and Opportunity Act Title I-B Policy

Policy Number: 5608, Revision 1

Policy Title: Self-Employment Training

Effective Date: May 14, 2021

1. **Purpose:**

This policy addresses the requirements for the Employment Security Department (ESD) and Local Workforce Development Boards (LWDBs) to comply with state statutes regarding WIOA Title I-related self-employment training.

2. **Background:**

[RCW 50.62.030\(2\)](#) requires LWDBs to establish a plan for expending WIOA funds on self-employment assistance training at a rate commensurate with either customer demand or the rate of self-employment within each workforce development area (WDA).

Section 134(c)(3)(D)(vii) of the Workforce Innovation and Opportunity Act (WIOA) cites “entrepreneurial training” (also known as self-employment training) as an allowable training service for adults and dislocated workers.

3. **Policy:**

- a. Individuals eligible for WIOA must be provided the opportunity to enroll in self-employment or entrepreneurial training programs on the same basis as they are provided the opportunity to enroll in other WIOA-funded training, which is consistent with WIOA customer choice principles.
- b. LWDB Responsibilities:
 - i. Notify all WIOA-eligible individuals of the availability of self-employment training in their Workforce Development Area (WDA), including but not limited to WIOA-eligible training providers, and
 - ii. Prepare and implement a plan for expending WIOA funds on self-employment training at a rate proportional to the demand for such services in the WDA or the self-employment rate in the WDA (see Section 3.c.ii).
 - The WIOA self-employment plan is a component of an LWDB’s July 1 and October 1 WIOA Title I formula grant packages. The Adult and Dislocated Worker formula program planning forms satisfy the requirement that LWDBs prepare a plan for

expending WIOA funds on self-employment training. The documents have line items on planned entrepreneurial training participants by quarter.

- For the purpose of tracking actual expenditures against the planned level of expenditures, LWDBs are required to report actual expenditures on quarterly WIOA expenditure reports that capture expenditures for entrepreneurial training services. This information will be compared to planned expenditures reflected in service plans in order to review plan versus actual outcomes each quarter.

Note: It is important for LWDBs to recognize that Individual Training Accounts (ITAs) do not represent the full spectrum of demand. Interested individuals may have been denied or may have "dropped-out" prior to the establishment of an ITA.

c. ESD's Responsibilities:

- i. Work with LWDBs and Workforce Training and Education Coordinating Board (WTECB) to ensure that the process by which self-employment training providers join the state's Eligible Training Provider List (ETPL) is efficient and that the number of self-employment training providers on the ETPL is sufficient to meet demand. Online self-employment training providers or self-employment training providers from the surrounding area may be utilized to reach a sufficient number of providers to match the demand as long as the providers are on the ETPL.
- ii. Establish the methodologies and options for determining the demand for self-employment training. The options are outlined as follows:
 - The quantifiable share of individuals interested in self-employment training within the WDA utilizing Self-Employment Training Demand Data;
 - The quantifiable share of individuals interested in self-employment training within the WDA utilizing LWDB administrative data as reviewed and approved by ESD; or
 - The WDA's self-employment rate, if available, from a recognized federal source (e.g., U.S. Bureau of Labor Statistics, U.S. Census Bureau, American Community Survey).

Note: The above methodologies for determining demand for self-employment training will be re-evaluated annually. At a minimum, the self-employment training demand data will be updated to provide a more current representation of self-employment training demand through WIN 0042. Proposals submitted to ESD that seek to establish a local rate of self-employment training interest will need to describe the source of the self-employment data and how self-employment training interest and the associated self-employment rate is quantified.

4. Definitions:

None.

5. References:

- [Revised Code of Washington 50.62.030](#)
- WIOA Section 134(c)(3)(D)(vii)

- WorkSource Information Notice (WIN) 0042 – Self-Employment Training Demand Targets

6. Supersedes:

WIOA Title I Policy 5608

7. Website:

[Workforce Professionals Center](#)

8. Action:

Local Workforce Development Boards and their contractors must distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

9. Attachments:

None

Direct Inquiries To:

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