

Central/Western Maine Workforce Investment Board

WIA Funding Guidelines for Customers Seeking Self-Employment Assistance

Under the Workforce Investment Act legislation, WIA is considered a work first program meaning that people who are able to obtain employment with the skills they already have are not considered priorities for training and should be served using Core or Intensive services.

Under the WIA regulations it is allowable to assist customers with entrepreneurial training services; however, the majority of new businesses fail within the first year and those enrolled in training, including entrepreneurial, must meet all WIA performance outcomes.

In addition, our local LWIB is focused on clusters with sector specific training for each of our local CareerCenters. Since entrepreneurial services are part of training, the business would need to fall under one of our approved clusters.

Keeping the above factors in mind we will follow the steps below, when individuals request self-employment assistance.

1. Check to see how long the customer has been unemployed and what they have done for job search. As with anyone seeking training assistance, we must justify that training would be necessary.
2. Check to see that the customer would be eligible for WIA. If s/he is a dislocated worker, check the UI Profiling screen to see if s/he is eligible for MEO. If s/he is eligible for MEO and has not applied, we need to document the reason why before we proceed. Customers who are MEO eligible should apply when appropriate.
3. Explain to customer that we must see a business plan approved by SCORE, SBA, or official business assistance institution, which shows projections for livable wage income and full-time employment to occur within 6 months from the start of the plan or within 6 months from completion of training.
4. Explain to the customer that s/he must provide us documents from a financial institution (bank) showing they have been approved for the necessary financing including start up costs.
5. Since self-employment wages are not captured by the bureau of unemployment compensation, explain to the customer that s/he must provide us with quarterly wage information for a full year after separation.
6. If all of the above is completed and agreed to, WIA may provide training and related support services. The customer must be assessed and follow the same enrollment procedures as any other training customer.

Remember: we do not enroll anyone into training just so s/he can be waived out of job search. An entrepreneurial training plan should be treated the same as any other training request.