



DEC 12, 2012

The Honorable Robert Bentley
Governor of Alabama
600 Dexter Avenue
Montgomery, Alabama 36130-2751

Dear Governor Bentley:

Small businesses and start-ups play a vital role in our economy. Over the last two decades, these businesses have been responsible for creating two out of every three new jobs in the U.S., and today more than half of all working Americans own or work for a small business. In recognition of this, we wanted to make sure that you are aware of new resources available to support Self Employment Assistance (SEA) programs.

SEA programs are designed to provide unemployed workers with opportunities to pursue a path to entrepreneurship and small business ownership. These programs can be an important tool to address unemployment, help build on our economic recovery, and create important new businesses in our communities. Creating an environment where small businesses and start-ups can thrive is critical to our nation's competitiveness and our long-term economic growth.

As you know, America's entrepreneurial spirit is alive and well in Alabama and across the country. Today, all over Alabama, there are men and women looking to transform great ideas into viable businesses that create good jobs and economic opportunity.

SEA programs are voluntary state-run programs that provide allowances to unemployed individuals who qualify for unemployment insurance (UI), including regular UI, Extended Benefits (EB) and Emergency Unemployment Compensation (EUC). SEA allowances are paid in lieu of UI to support SEA program participants while they access the resources, information and training needed to start a business. Individuals are paid an SEA allowance that is equal to their UI weekly benefit amount. States must enact legislation to implement a state SEA program, and there are already five states that have such legislation and are operating SEA programs. We encourage your state to also explore this program.

The Middle Class Tax Relief and Job Creation Act of 2012, which was signed by the President on February 22, 2012, provides opportunities and resources to start new SEA programs or expand existing ones by:

- Extending the SEA program to the long-term unemployed, including individuals receiving EB and EUC;

- Providing for a total of \$35 million in grants to states for the period of Fiscal Year 2012 through Fiscal Year 2013 to implement or improve an SEA program and for promotion and enrollment activities, including entrepreneurial training; and
- Promoting active engagement with the U.S. Small Business Administration's (SBA's) network of resources, including Small Business Development Centers, SCORE, Women's Business Centers, and Veteran Business Outreach Centers.

Information on implementing or enhancing an SEA program and the available grants can be found at: http://wdr.doleta.gov/directives/attach/UIPL/UIPL_20_12.pdf.

To further assist you, the U.S. Department of Labor (Department) and SBA have jointly developed a web portal with information and resources to help your state implement a successful SEA program. It is located at <https://sea.workforce3one.org>. At this site, you will find an SBA toolkit featuring the many resources available to support new entrepreneurs. New resources are expected to be added in the coming months to support states' efforts to increase entrepreneurship and job creation through the SEA program and to help sustain and scale the new businesses created.

We are committed to an ongoing partnership to ensure that SBA's business advisor network and the Department's workforce system support new entrepreneurs coming through state SEA programs.

We ask that you encourage your state workforce agency and SBA's resource network partners within your state to take advantage of this significant opportunity.

Please do not hesitate to contact us if you have questions.

Sincerely,

HILDA L. SOLIS /s/
Secretary of Labor

KAREN G. MILLS /s/
Administrator, Small Business Administration