

113TH CONGRESS
1ST SESSION

H. R. 51

To amend the Internal Revenue Code of 1986 to provide for an employment assistance voucher program for the unemployed.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2013

Mr. FITZPATRICK introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide for an employment assistance voucher program for the unemployed.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Hire Just One Act
5 of 2013”.

6 **SEC. 2. TREATMENT OF EMPLOYMENT ASSISTANCE VOUGH-**
7 **ER PROGRAMS.**

8 (a) USE OF UNEMPLOYMENT FUND FOR EMPLOY-
9 MENT ASSISTANCE VOUCHER PROGRAM.—

1 (1) STATE LAW.—Section 3304(a)(4) of the In-
2 ternal Revenue Code of 1986 is amended by striking
3 “and” at the end of subparagraph (F), by inserting
4 “and” at the end of subparagraph (G), and by add-
5 ing at the end the following new subparagraph:

6 “(H) during the 120-day period beginning
7 on the date of the enactment of the Hire Just
8 One Act of 2013, amounts may be withdrawn
9 for the payment of allowances under an employ-
10 ment assistance voucher program (as defined in
11 section 3306(v));”.

12 (2) PERMISSIBLE EXPENDITURES.—Section
13 3306(f) of such Code is amended—

14 (A) by striking “and” at the end of para-
15 graph (5),

16 (B) by redesignating the paragraph relat-
17 ing to the self-employment assistance program
18 as paragraph (6) and striking the period at the
19 end of such paragraph and inserting “; and”,
20 and

21 (C) by adding at the end the following new
22 paragraph:

23 “(7) during the 120-day period beginning on
24 the date of the enactment of the Hire Just One Act
25 of 2013, amounts may be withdrawn for the pay-

1 ment of allowances under an employment assistance
2 voucher program (as defined in subsection (v)).”.

3 (b) EMPLOYMENT ASSISTANCE VOUCHER PROGRAM
4 DEFINED.—Section 3306 of such Code is amended by
5 adding at the end the following new subsection:

6 “(v) EMPLOYMENT ASSISTANCE VOUCHER PRO-
7 GRAM.—For the purposes of this chapter—

8 “(1) IN GENERAL.—The term ‘employment as-
9 sistance voucher program’ means a program under
10 which—

11 “(A) an eligible individual is issued an em-
12 ployment assistance voucher,

13 “(B) upon employment with an employer
14 described in paragraph (5)—

15 “(i) the eligible individual transfers
16 the employment assistance voucher to the
17 employer,

18 “(ii) the individual ceases to receive
19 unemployment compensation and is paid
20 wages by the employer, and

21 “(iii) the employer receives payments
22 upon presenting the voucher to the State,
23 and

1 “(C) the program meets such other re-
2 quirements as the Secretary of Labor deter-
3 mines to be appropriate.

4 “(2) RULES RELATING TO UNEMPLOYED INDI-
5 VIDUALS.—For purposes of paragraph (1)—

6 “(A) COMPENSATION.—Compensation pur-
7 suant to paragraph (1)(B)(ii) shall—

8 “(i) not be less than 200 percent of
9 the unemployment compensation otherwise
10 payable to the individual on the date of the
11 individual’s employment under the employ-
12 ment assistance voucher program,

13 “(ii) not be less than the minimum
14 wage (as specified in section 6 of the Fair
15 Labor Standards Act of 1938),

16 “(iii) be payable for a period not to
17 exceed the maximum number of remaining
18 weeks of unemployment compensation (in-
19 cluding supplemental and emergency) to
20 which the employee would be entitled (but
21 for participating in the employment assist-
22 ance voucher program), determined as of
23 the date of employment.

24 “(B) TERMINATION OF EMPLOYMENT.—If,
25 before the end of the period referred to in sub-

1 paragraph (A)(iii), an individual's employment
2 with an employer under the employment assist-
3 ance voucher program is terminated for reasons
4 other than cause, the individual is entitled to
5 the remaining period of entitlement referred to
6 in subparagraph (A)(iii) less the number of
7 weeks of such employment.

8 “(C) CERTAIN REQUIREMENTS NOT TO
9 APPLY.—State requirements relating to avail-
10 ability for work, active search for work, and re-
11 fusal to accept work are not applicable to indi-
12 viduals participating in the employment assist-
13 ance voucher program.

14 “(3) EMPLOYMENT ASSISTANCE VOUCHER.—
15 The term ‘employment assistance voucher’ means a
16 voucher—

17 “(A) obtained by an eligible individual pur-
18 suant to the State law,

19 “(B) payable to the employer of the eligible
20 individual—

21 “(i) at a rate determined under State
22 law but not to exceed 90 percent of the
23 amount of unemployment compensation to
24 which the eligible individual is entitled, and

1 “(ii) on the same schedule as unem-
2 ployment compensation would be payable
3 to the individual but for employment under
4 the employment assistance voucher pro-
5 gram.

6 “(4) ELIGIBLE INDIVIDUAL.—The term ‘eligible
7 individual’ means an individual who—

8 “(A) is eligible to receive regular unem-
9 ployment compensation under the State law, ex-
10 tended unemployment, or emergency unemploy-
11 ment or would be eligible to receive such com-
12 pensation except for the requirements described
13 in paragraph (1)(B),

14 “(B) is identified pursuant to a State
15 worker profiling system as an individual likely
16 to exhaust regular unemployment compensation,

17 “(C) immediately prior to employment by
18 the eligible employer, was unemployed for not
19 less than 6 months, and

20 “(D) is employed by an eligible employer.

21 “(5) ELIGIBLE EMPLOYER.—The term ‘eligible
22 employer’ means an employer who agrees to the
23 terms and conditions of employment under the un-
24 employment assistance voucher program and who is
25 approved by the State agency.

1 “(6) TREATMENT OF PARTICIPATING INDIVID-
2 UALS UNDER FEDERAL AND STATE LAW.—Individ-
3 uals participating in an unemployment assistance
4 voucher program shall be treated as unemployed for
5 the purposes of Federal and State laws applicable to
6 unemployment compensation, except that wages paid
7 to the employee under such program shall be subject
8 to Federal and State taxation to the same extent
9 and in the same manner as wages generally.

10 “(7) COST LIMITER.—A State program shall
11 not be treated as an employment assistance voucher
12 program for purposes of this chapter unless the pro-
13 gram does not result in any cost to the Unemploy-
14 ment Trust Fund (established by section 904(a) of
15 the Social Security Act) in excess of the cost that
16 would be incurred by such State and charged to
17 such Fund, or to any Federal funds in the system
18 if the State had not participated in such program.

19 “(8) PREVENTION OF EMPLOYMENT TERMI-
20 NATION TO PARTICIPATE IN PROGRAM.—A State
21 program shall not be treated as an employment as-
22 sistance voucher program for purposes of this chap-
23 ter unless the State has in effect measures to pre-
24 vent employers from terminating employment for

1 purposes of participating in the employment assist-
2 ance voucher program.

3 “(9) PREVENTION IN TERMINATING EMPLOY-
4 EES DURING PROGRAM.—A State program shall not
5 be treated as an employment assistance voucher pro-
6 gram for purposes of this chapter unless the State
7 has in effect measures to recoup payments made to
8 an employer under the program if the employer has
9 terminated from employment more employees during
10 the 120-day period referred to in section
11 3304(a)(4)(H) than the employer has hired under
12 the program.”.

13 (c) CONFORMING AMENDMENT.—Section 303(a)(5)
14 of the Social Security Act (42 U.S.C. 503(a)(5)) is amend-
15 ed by striking “; and” and inserting “: *Provided further,*
16 That amounts may be withdrawn for the payment of al-
17 lowances under an employment assistance voucher pro-
18 gram (as defined in section 3306(v) of the Internal Rev-
19 enue Code of 1986); and”.

20 (d) STATE REPORTS.—Any State operating an em-
21 ployment assistance voucher program approved by the
22 Secretary of Labor pursuant to section 3304(a)(4)(H) of
23 the Internal Revenue Code of 1986 (as added by this sec-
24 tion) shall report annually to the Secretary on the number
25 of individuals who participate in the program, the oper-

1 ating costs of the program, compliance with program re-
2 quirements, and any other relevant aspects of program op-
3 erations requested by the Secretary.

4 (e) REPORT TO CONGRESS.—Not later than 1 year
5 after the date of the enactment of this Act, the Secretary
6 of Labor shall submit a report to the Congress with re-
7 spect to the operation of the employment assistance vouch-
8 er program. Such report shall be based on the reports re-
9 ceived from the States pursuant to subsection (d) and in-
10 clude such other information as the Secretary of Labor
11 determines is appropriate.

12 (f) EFFECTIVE DATE.—The provisions of this section
13 and the amendments made by this section shall take effect
14 on the date of the enactment of this Act.

○