

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.

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IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2013

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

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## 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 VOUCH-**  
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8                   One Act of 2013, amounts may be withdrawn  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25                   of 2013, amounts may be withdrawn for the pay-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.

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