



SCWA Legislative Update

June 16, 2021



WOTC Bills Under Consideration

Several bills that impact WOTC have now emerged in the 117th Congress.

Most of these bills won't be enacted singly, but now that WOTC is safe for five years, small business groups are working to ensure enactment of a considerable list of desirable improvements.

The most effective approach to the chairmen of the tax-writing committees is for our congressional supporters to consolidate and lay our proposals before the full committee in a bill and/or testimony. At the same time, many congressional supporters have their own priorities for WOTC, and some have already proposed bills which, if enacted, would enhance WOTC significantly.

What follows is a description of some of the most significant bills that deserve attention and support.

Here are the WOTC bills you should know about:

S. 269, WOTC and Jobs Act, Senator Rob Portman (R-OH)

This bill would make WOTC a permanent part of the tax code. Senator Portman, has introduced this measure in every Congress.

S. 1560, A bill to amend the Internal Revenue Code of 1986 to modify WOTC for certain youth employees, Senator Richard Durbin (D-IL)

There is no "at-risk youth" target group in WOTC, and this important bill sets a "disconnected youth" target group for ages 16-25, doubles the maximum wage for summer youth ages 16-17, expands the summer youth program to include year-round employment, and requires youth, who are in school, to work no more than 20 hours a week. An identical bill has been introduced in the House by Congresswoman Robin Kelly (D-IL).

S. 784, Jobs for Economic Recovery Act, Senator Ron Wyden (D-OR)

Senator Wyden, chairman of the Senate Finance Committee, introduced this measure to grant a second-year credit, at 40 percent of a maximum \$6,000 qualified wages, for any employee who worked the prior year in a job subsidized by the government. The bill also directs the GAO to evaluate the effectiveness of the coronavirus Employee Retention Credit. An identical bill was introduced in the House by Congressman Danny Davis (D-IL), a subcommittee chairman of Ways and Means.

H.R. 3449, To amend the Internal Revenue Code of 1986 to make certain adjustments to

WOTC to modernize the credit and make it a more effective hiring incentive,
Congressman Tom Suozzi (D-NY)

Congressman Suozzi, a Ways and Means Committee member has introduced a vehicle for improvements worth consideration. The text of the bill is not yet final.

S. 630, Disability Employment Incentive Act, Senator Bob Casey (D-PA)

Senator Casey's bill extends WOTC eligibility to individuals receiving cash Social Security Disability Insurance (SSDI), increases the amount of the credit, provides a second-year credit, and extends these increased benefits not only to SSDI recipients, but also to SSI and Vocational Rehabilitation recipients.

S. 1532, A bill to provide a WOTC for military spouses and to provide for flexible spending arrangements for childcare services for uniformed services families, Senator Tim Kaine (D-VA).

With support of 27 major veterans organizations united in The Military Coalition, small business groups are working with Senator Kaine and others to ensure enactment of this goal, for which there is a strong case, too long deferred.

There are other bills in the works, but in the meantime, we welcome your feedback on the foregoing bills, which are works in progress.



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