

AMENDMENT  
TO THE AMENDMENT IN THE NATURE OF A  
SUBSTITUTE TO H.R. 1745, AS REPORTED

OFFERED BY MR. RENACCI OF OHIO

Add at the end the following new title:

1 **TITLE III—EMPLOYMENT AS-**  
2 **SISTANCE VOUCHER PRO-**  
3 **GRAMS**

4 **SEC. 301. SHORT TITLE.**

5 This title may be cited as the “Empowering More  
6 Productive and Lasting Opportunity Act of 2011”.

7 **SEC. 302. TREATMENT OF EMPLOYMENT ASSISTANCE**  
8 **VOUCHER PROGRAMS.**

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

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

16 “(H) during the 5-year period beginning  
17 on the date of the enactment of the Empow-

1           ering More Productive and Lasting Opportunity  
2           Act of 2011, amounts may be withdrawn for  
3           the payment of allowances under an employ-  
4           ment assistance voucher program (as defined in  
5           section 3306(v));”.

6           (2) PERMISSIBLE EXPENDITURES.—Section  
7           3306(f) of such Code is amended—

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

10                   (B) by redesignating the paragraph relat-  
11                   ing to the self-employment assistance program  
12                   as paragraph (6) and striking the period at the  
13                   end of such paragraph and inserting “; and”;  
14                   and

15                   (C) by adding at the end the following new  
16                   paragraph:

17                   “(7) during the 5-year period beginning on the  
18                   date of the enactment of the Empowering More Pro-  
19                   ductive and Lasting Opportunity Act of 2011,  
20                   amounts may be withdrawn for the payment of al-  
21                   lowances under an employment assistance voucher  
22                   program (as defined in subsection (v)).”.

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

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

3           “(1) IN GENERAL.—The term ‘employment as-  
4 sistance voucher program’ means a program under  
5 which—

6           “(A) an eligible individual is issued an em-  
7 ployment assistance voucher,

8           “(B) upon employment with an employer  
9 described in paragraph (5)—

10           “(i) the eligible individual transfers  
11 the employment assistance voucher to the  
12 employer,

13           “(ii) the individual ceases to receive  
14 unemployment compensation and is paid  
15 wages by the employer, and

16           “(iii) the employer receives payments  
17 upon presenting the voucher to the State,  
18 and

19           “(C) the program meets such other re-  
20 quirements as the Secretary of Labor deter-  
21 mines to be appropriate.

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

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

1                   “(i) be at a rate equal to or greater  
2                   than the percentage specified by State law  
3                   (but in no event less than 110 percent) of  
4                   the rate which would otherwise be payable  
5                   to the individual,

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

9                   “(iii) be payable for a period not to  
10                  exceed the maximum number of remaining  
11                  weeks of unemployment compensation (in-  
12                  cluding supplemental and emergency) to  
13                  which the employee would be entitled (but  
14                  for participating in the employment assist-  
15                  ance voucher program), determined as of  
16                  the date of employment.

17                  “(B) TERMINATION OF EMPLOYMENT.—If,  
18                  before the end of the period referred to in sub-  
19                  paragraph (A)(iii), an individual’s employment  
20                  with an employer under the employment assist-  
21                  ance voucher program is terminated for reasons  
22                  other than cause, the individual is entitled to  
23                  the remaining period of entitlement referred to  
24                  in subparagraph (A)(iii) less the number of  
25                  weeks of such employment.

1           “(C) CERTAIN REQUIREMENTS NOT TO  
2           APPLY.—State requirements relating to avail-  
3           ability for work, active search for work, and re-  
4           fusal to accept work are not applicable to indi-  
5           viduals participating in the employment assist-  
6           ance voucher program;

7           “(3) EMPLOYMENT ASSISTANCE VOUCHER.—  
8           The term ‘employment assistance voucher’ means a  
9           voucher—

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

12           “(B) payable to the employer of the eligible  
13           individual—

14           “(i) at a rate determined under State  
15           law but not to exceed 90 percent of the  
16           amount of unemployment compensation to  
17           which the eligible individual is entitled, and

18           “(ii) on the same schedule as unem-  
19           ployment compensation would be payable  
20           to the individual but for employment under  
21           the employment assistance voucher pro-  
22           gram.

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

1           “(A) is eligible to receive regular unem-  
2           ployment compensation under the State law, ex-  
3           tended unemployment, or emergency unemploy-  
4           ment or would be eligible to receive such com-  
5           pensation except for the requirements described  
6           in paragraph (1)(B),

7           “(B) is identified pursuant to a State  
8           worker profiling system as an individual likely  
9           to exhaust regular unemployment compensation,  
10          and

11          “(C) is employed by an eligible employer.

12          “(5) ELIGIBLE EMPLOYER.—The term ‘eligible  
13          employer’ means an employer who agrees to the  
14          terms and conditions of employment under the un-  
15          employment assistance voucher program and who is  
16          approved by the State agency.

17          “(6) TREATMENT OF PARTICIPATING INDIVID-  
18          UALS UNDER FEDERAL AND STATE LAW.—Individ-  
19          uals participating in an unemployment assistance  
20          voucher program shall be treated as unemployed for  
21          the purposes of Federal and State laws applicable to  
22          unemployment compensation, except that wages paid  
23          to the employee under such program shall be subject  
24          to Federal and State taxation to the same extent  
25          and in the same manner as wages generally.

1           “(7) COST LIMITER.—A State program shall  
2           not be treated as an employment assistance voucher  
3           program for purposes of this chapter unless the pro-  
4           gram does not result in any cost to the Unemploy-  
5           ment Trust Fund (established by section 904(a) of  
6           the Social Security Act) in excess of the cost that  
7           would be incurred by such State and charged to  
8           such Fund, or to any Federal funds in the system  
9           if the State had not participated in such program.

10           “(8) PREVENTION OF EMPLOYMENT TERMI-  
11           NATION TO PARTICIPATE IN PROGRAM.—A State  
12           program shall not be treated as an employment as-  
13           sistance voucher program for purposes of this chap-  
14           ter unless the State has in effect measures to pre-  
15           vent employers from terminating employment for  
16           purposes of participating in the employment assist-  
17           ance voucher program.”.

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

1           (d) STATE REPORTS.—Any State operating an em-  
2     ployment assistance voucher program approved by the  
3     Secretary of Labor pursuant to section 3304(a)(4)(H) of  
4     the Internal Revenue Code of 1986 (as added by this sec-  
5     tion) shall report annually to the Secretary on the number  
6     of individuals who participate in the program, the oper-  
7     ating costs of the program, compliance with program re-  
8     quirements, and any other relevant aspects of program op-  
9     erations requested by the Secretary.

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

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

