To require the Secretary of Labor to establish a program for providing portable benefits to eligible workers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

introduced the following bill; which was read twice and referred to the Committee on

A BILL

To require the Secretary of Labor to establish a program for providing portable benefits to eligible workers, and for other purposes.

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

SEC. 1. SHORT TITLE.
This Act may be cited as the “Emergency Benefits for Independent Workers Program Act”.

SEC. 2. FINDINGS.
Congress finds the following:

(1) Many independent workers and workers in alternative work arrangements, constituting a sizable percentage of the workforce in the United States, do
not have access to benefits and protections typically provided through traditional full-time employment.

(2) Workers in alternative work arrangements include independent contractors, domestic workers, temporary workers, the self-employed, and others in contingent work arrangements.

(3) According to a 2017 survey by the Bureau of Labor Statistics, workers in alternative work arrangements as their primary form of occupation constitute 10.1 percent of the labor force, roughly 16,000,000 Americans.

(4) In response to the global pandemic caused by the coronavirus, Congress created the temporary Pandemic Unemployment Assistance program under title II of division A of the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116–136) to provide access to unemployment insurance to previously ineligible workers, such as gig workers, freelancers, and the self-employed.

(5) The people of the United States should not need an Act of Congress to have access to essential benefits and protections during the next economic downturn.

SEC. 3. DEFINITIONS.

In this Act:
(1) CORONAVIRUS.—The term “coronavirus” has the meaning given the term in section 506 of the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (Public Law 116–123).

(2) ELIGIBLE WORK.—The term “eligible work” means any work performed for pay that is not in connection with traditional full-time employment.

(3) ELIGIBLE WORKER.—The term “eligible worker” means—

(A) any worker who is not a permanent full-time employee of the parent entity hiring the worker for the eligible work, including any independent contractor, contract worker, self-employed individual, freelance worker, or temporary worker; and

(B) any worker not traditionally eligible for unemployment compensation under the law of the State, including such a worker who has been affected by the coronavirus.

(4) PORTABLE BENEFITS.—The term “portable benefits”—

(A) means work-related benefits that are provided to eligible workers for eligible work in
a manner that allows the worker to maintain
the benefits upon changing jobs; and

(B) includes—

(i) contributions on behalf of the eligi-
ble worker made by a hiring entity (includ-
ing multiple entities, if applicable) in con-
nection with eligible work performed by the
worker for the entity, including entities
that facilitate the sale of such work;

(ii) contributions made by the eligible
worker;

(iii) contributions on behalf of the eli-
gable worker made by consumers;

(iv) contributions on behalf of the eli-
gable worker made by labor organizations
or worker advocate non-profit organiza-
tions; or

(v) a combination of 2 or more of the
contributions described in clauses (i), (ii),
(iii), and (iv).

(5) SECRETARY.—The term “Secretary” means
the Secretary of Labor.

(6) STATE.—The term “State” means each of
the several States of the United States, the District
of Columbia, Puerto Rico, American Samoa, the
United States Virgin Islands, Guam, the Northern
Mariana Islands, and American Samoa.

(7) Worker Advocate Non-Profit Organization.—The term “worker advocate non-profit organization” means an entity—

(A) that is an organization described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;

(B) for which all actions taken by the organization regarding providing benefits to workers are for the sole purpose of maximizing benefits to the workers;

(C) that is independent from all business entities, organizations, corporations, or individuals that would pursue any financial interest in conflict with that of the workers; and

(D) that has a board of directors that holds a fiduciary duty to the workers with respect to provision of the benefits.

(8) Work-Related Benefits.—The term “work-related benefits” means benefits of a type that are commonly provided to traditional full-time employees, such as workers’ compensation, paid leave, skills training, disability coverage, health in-
insurance coverage, retirement saving, income security, and short-term saving.

SEC. 4. ESTABLISHMENT OF PORTABLE BENEFITS PROGRAM.

(a) EMERGENCY PORTABLE BENEFITS PROGRAM ESTABLISHED.—

(1) IN GENERAL.—By not later than June 1, 2020, the Secretary, in consultation with the head of any other relevant Federal agency, shall award grants through allotments described in subsection (b), to States to—

(A) assist in the technology modernization necessary for the expansion of unemployment insurance; and

(B) support broad innovation and experimentation with respect to portable benefits.

(2) DURATION OF GRANT.—A grant awarded under this paragraph shall be for not less than a 2-year period.

(3) PARTNERSHIPS AUTHORIZED.—A State receiving an allotment under this Act may carry out the activities under the grant in partnership with a local government, labor organization, or worker advocate nonprofit organization.
(b) **FORMULA.**—Each State’s allotment under this section shall bear the same relation to the amount available to carry out this section as the population of the State bears to the population of all States.

(c) **STATE REQUIREMENTS.**—

(1) **PLAN AND IMPLEMENTATION REQUIREMENTS.**—A State that accepts an allotment under subsection (a) shall agree to—

(A) submit a plan for the use of the allotment, in accordance with the requirements of subsection (d), by not later than 90 days after receiving the allotment; and

(B) fully implement the plan submitted under subparagraph (A) by not later than 2 years after receiving the allotment.

(2) **RETURN OF FUNDS.**—A State that does not wish to receive an allotment under this Act or does not submit a plan described in paragraph (1)(A) by the deadline required under such paragraph shall return the State’s allotment to the Secretary of the Labor.

(3) **USE OF RETURNED FUNDS.**—The Secretary of Labor shall use any funds returned under paragraph (2) to provide supplemental allotments to the
States that did submit a plan under paragraph (1), in the same manner as under subsection (b).

(d) USES OF FUNDS.—

(1) USE OF FUNDS TO IMPROVE UNEMPLOYMENT COMPENSATION ADMINISTRATION.—A State receiving an allotment under this section shall use 50 percent of the amount of such allotment for improving the administration systems of its unemployment compensation law, including by taking such steps as may be necessary to ensure adequate resources in periods of high demand and by modernizing the information technology infrastructure used for such administration.

(2) USE OF FUNDS TO ESTABLISH EXPERIMENTAL PORTABLE BENEFIT PROGRAMS.—A State receiving an allotment under this section shall use 50 percent of the amount of such allotment for the design, implementation, and evaluation of new models or approaches for providing portable benefits to eligible workers, including—

(A) innovative proposals for paid leave;

(B) providing a job seeker’s allowance;

(C) qualified health plans offered on the Exchanges established under section 1311 or
1321 of the Patient Protection and Affordable Care Act (42 U.S.C. 18031, 18031);

(D) retirement-related benefits;

(E) the long-term expansion of eligibility for unemployment compensation; and

(F) other programs specific to local economies in the State.

SEC. 5. REPORT TO CONGRESS.

Not later than September 30, 2022, the Comptroller General of the United States shall evaluate the outcome of the allotments provided under section 4(a) and provide a report on such evaluation to Congress. Such report shall include an assessment of the impact of such allotments on the compensation of workers receiving portable benefits under section 4.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to carry out this section $500,000,000 for fiscal year 2021.

(b) AVAILABILITY.—Amounts appropriated under subsection (a) shall remain available until expended.