

116TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

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

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IN THE SENATE OF THE UNITED STATES

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

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## **A BILL**

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

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 “Emergency Benefits  
5 for Independent Workers Program Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Many independent workers and workers in  
9 alternative work arrangements, constituting a sizable  
10 percentage of the workforce in the United States, do

1 not have access to benefits and protections typically  
2 provided through traditional full-time employment.

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

7 (3) According to a 2017 survey by the Bureau  
8 of Labor Statistics, workers in alternative work ar-  
9 rangements as their primary form of occupation con-  
10 stitute 10.1 percent of the labor force, roughly  
11 16,000,000 Americans.

12 (4) In response to the global pandemic caused  
13 by the coronavirus, Congress created the temporary  
14 Pandemic Unemployment Assistance program under  
15 title II of division A of the Coronavirus Aid, Relief,  
16 and Economic Security Act (Public Law 116–136)  
17 to provide access to unemployment insurance to pre-  
18 viously ineligible workers, such as gig workers, free-  
19 lancers, and the self-employed.

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

24 **SEC. 3. DEFINITIONS.**

25 In this Act:

1           (1) CORONAVIRUS.—The term “coronavirus”  
2           has the meaning given the term in section 506 of the  
3           Coronavirus Preparedness and Response Supple-  
4           mental Appropriations Act, 2020 (Public Law 116–  
5           123).

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

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

11           (A) any worker who is not a permanent  
12           full-time employee of the parent entity hiring  
13           the worker for the eligible work, including any  
14           independent contractor, contract worker, self-  
15           employed individual, freelance worker, or tem-  
16           porary worker; and

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

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

23           (A) means work-related benefits that are  
24           provided to eligible workers for eligible work in

1 a manner that allows the worker to maintain  
2 the benefits upon changing jobs; and

3 (B) includes—

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

10 (ii) contributions made by the eligible  
11 worker;

12 (iii) contributions on behalf of the eli-  
13 gible worker made by consumers;

14 (iv) contributions on behalf of the eli-  
15 gible worker made by labor organizations  
16 or worker advocate non-profit organiza-  
17 tions; or

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

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

23 (6) STATE.—The term “State” means each of  
24 the several States of the United States, the District  
25 of Columbia, Puerto Rico, American Samoa, the

1 United States Virgin Islands, Guam, the Northern  
2 Mariana Islands, and American Samoa.

3 (7) WORKER ADVOCATE NON-PROFIT ORGANI-  
4 ZATION.—The term “worker advocate non-profit or-  
5 ganization” means an entity—

6 (A) that is an organization described in  
7 section 501(e) of the Internal Revenue Code of  
8 1986 and exempt from tax under section 501(a)  
9 of such Code;

10 (B) for which all actions taken by the or-  
11 ganization regarding providing benefits to work-  
12 ers are for the sole purpose of maximizing bene-  
13 fits to the workers;

14 (C) that is independent from all business  
15 entities, organizations, corporations, or individ-  
16 uals that would pursue any financial interest in  
17 conflict with that of the workers; and

18 (D) that has a board of directors that  
19 holds a fiduciary duty to the workers with re-  
20 spect to provision of the benefits.

21 (8) WORK-RELATED BENEFITS.—The term  
22 “work-related benefits” means benefits of a type  
23 that are commonly provided to traditional full-time  
24 employees, such as workers’ compensation, paid  
25 leave, skills training, disability coverage, health in-

1       surance coverage, retirement saving, income secu-  
2       rity, and short-term saving.

3       **SEC. 4. ESTABLISHMENT OF PORTABLE BENEFITS PRO-**  
4       **GRAM.**

5       (a) EMERGENCY PORTABLE BENEFITS PROGRAM  
6       ESTABLISHED.—

7               (1) IN GENERAL.—By not later than June 1,  
8       2020, the Secretary, in consultation with the head of  
9       any other relevant Federal agency, shall award  
10      grants through allotments described in subsection

11     (b), to States to—

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

15               (B) support broad innovation and experi-  
16              mentation with respect to portable benefits.

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

20               (3) PARTNERSHIPS AUTHORIZED.—A State re-  
21              ceiving an allotment under this Act may carry out  
22              the activities under the grant in partnership with a  
23              local government, labor organization, or worker ad-  
24              vocate nonprofit organization.

1 (b) FORMULA.—Each State’s allotment under this  
2 section shall bear the same relation to the amount avail-  
3 able to carry out this section as the population of the State  
4 bears to the population of all States.

5 (c) STATE REQUIREMENTS.—

6 (1) PLAN AND IMPLEMENTATION REQUIRE-  
7 MENTS.—A State that accepts an allotment under  
8 subsection (a) shall agree to—

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

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

16 (2) RETURN OF FUNDS.—A State that does not  
17 wish to receive an allotment under this Act or does  
18 not submit a plan described in paragraph (1)(A) by  
19 the deadline required under such paragraph shall re-  
20 turn the State’s allotment to the Secretary of the  
21 Labor.

22 (3) USE OF RETURNED FUNDS.—The Secretary  
23 of Labor shall use any funds returned under para-  
24 graph (2) to provide supplemental allotments to the

1 States that did submit a plan under paragraph (1),  
2 in the same manner as under subsection (b).

3 (d) USES OF FUNDS.—

4 (1) USE OF FUNDS TO IMPROVE UNEMPLOY-  
5 MENT COMPENSATION ADMINISTRATION.—A State  
6 receiving an allotment under this section shall use  
7 50 percent of the amount of such allotment for im-  
8 proving the administration systems of its unemploy-  
9 ment compensation law, including by taking such  
10 steps as may be necessary to ensure adequate re-  
11 sources in periods of high demand and by modern-  
12 izing the information technology infrastructure used  
13 for such administration.

14 (2) USE OF FUNDS TO ESTABLISH EXPERI-  
15 MENTAL PORTABLE BENEFIT PROGRAMS.—A State  
16 receiving an allotment under this section shall use  
17 50 percent of the amount of such allotment for the  
18 design, implementation, and evaluation of new mod-  
19 els or approaches for providing portable benefits to  
20 eligible workers, including—

21 (A) innovative proposals for paid leave;

22 (B) providing a job seeker's allowance;

23 (C) qualified health plans offered on the  
24 Exchanges established under section 1311 or



1           1321 of the Patient Protection and Affordable  
2           Care Act (42 U.S.C. 18031, 18031);  
3           (D) retirement-related benefits;  
4           (E) the long-term expansion of eligibility  
5           for unemployment compensation; and  
6           (F) other programs specific to local econo-  
7           mies in the State.

8 **SEC. 5. REPORT TO CONGRESS.**

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

16 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

17          (a) **IN GENERAL.**—There is authorized to be appro-  
18          priated to carry out this section \$500,000,000 for fiscal  
19          year 2021.

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