

(b) Purpose.—The purpose of this title is to unstack employment by making work in the United States more secure, fair, accessible, democratic, and productive as part of promoting the general welfare.

Subtitle A—Public Employment and Income Security

SEC. 811. AMERICAN UNION JOBS PROGRAM.

(a) Findings.—Congress finds the following:

(1) America has sufficient resources to ensure that none of its citizens must live in poverty. The easiest, simplest way to do so is with universal, unconditional basic income (UBI), a regular amount of cash distributed to all citizens. In *The Road to Serfdom*, Hayek advocated for assuring "some minimum of food, shelter, and clothing" to everyone. However, individuals are best suited to decide what their specific needs are; providing fungible cash gives people the liberty to make their own choices.

(2) It is the unconditionality and universality that brings many of the intangible benefits of UBI. Finland's 2018 basic income experiment found recipients experienced increased trust—something America could benefit from—when they felt supported by those around them. Many societal benefits of addressing wealth inequality have been well documented in the book *The Spirit Level: Why Greater Equality Makes Societies Stronger*.

(3) As a form of UBI, the American Union Jobs Program will establish a safety floor that no one can fall beneath, at \$20,000 annually for adults, plus \$8,000 for children. Allowing tens of millions of our fellow citizens to fall into poverty through the holes in our existing safety net demonstrates that we are failing in our Constitutional duty to promote the general welfare—health, happiness, and prosperity. When combined with Treasury Dollar Bills and a public payment infrastructure, it will also bring millions into the banking system and reduce demand for predatory lending.

(4) The health of the nation will benefit from ending poverty with UBI. In her book *Hand to Mouth: Living in Bootstrap America*, Linda Tirado observed, "Being healthy and being poor are generally mutually exclusive conditions. We all have physical weaknesses, but a rich person gets these tended to before they get out of control. Poor people don't have that luxury."

(5) Consequently, poverty is a tremendous driver of health care usage, although it has not always been that way. 50 years ago, average costs for poor patients were less than those for wealthy patients. In 1992, they reached parity, and by 2008, Medicare spending was 30 percent to 40 percent higher for low-income beneficiaries.

(6) Dr. Richard "Buz" Cooper examined usage rates within the Wisconsin Hospital Referral Regions, where Milwaukee has a 35 percent higher usage rate than the rest of the state, measured in days used per 1,000 people. However, that usage was not uniform within the city. When usage rates were broken out by zip codes, he discovered that the poorest ones had an 85 percent above-average utilization rate, and concluded that lifting up the poor and near-poor residents could decrease hospital utilization by as much as 35 percent. He wrote: "Most of this increment was due to very high rates of admission and readmission for chronic illnesses, such as congestive heart failure, chronic obstructive pulmonary disease, and diabetes, which were

fourfold to sevenfold more frequent among residents of the poverty corridor than among those residing in Milwaukee's affluent suburbs."

(7) Children will gain some of the largest health benefits from UBI. When pregnant mothers are stressed, studies show they can pass along epigenetic hardships to their unborn children, leading to increased risk of many of the health issues Dr. Cooper identified in Milwaukee.

(8) Childhood development is also impacted by economic stress in a household. Adults concerned about issues like rent are less talkative, and the amount of verbal engagement children receive is a key indicator of future success. A 2018 study, *Estimating the Economic Cost of Childhood Poverty in the United States*, found that poverty also increases child maltreatment, which then drives foster care services and other child welfare programs. Their research suggested poverty was the direct cause of 30 percent of the children in the child welfare system.

(9) The lifetime costs of childhood poverty are tremendous: the same study estimated them at \$1,030 billion for the cohort of children born in a given year. More than one-third was attributed to crime and incarceration, with another 29 percent coming from reduced lifetime earnings. The authors concluded that "children being raised in poverty do not have the same chances for success as children who are raised in middle- or upper-income families. This contradicts our belief in 'liberty and justice for all.'"

(10) During the 1990s, researchers in the Great Smoky Mountains of North Carolina were studying the long-term psychological impacts of poverty on children there. A few years into the study, profit sharing from a new casino boosted the family incomes of about a quarter of the participants. The resulting control group provided an insight into the familial effects of reducing poverty. Parents reported one-third fewer arguments, less drug and alcohol use, and a 27 percent reduction in the children's behavioral disorder symptoms. When they grew up, they were 22 percent more likely to find a full-time job.

(11) Many of the health benefits are directly attributable to empowering parents to make better decisions for their children; parents all across the economic spectrum tend to spend extra money on their kids when they can. Fruits, vegetables, and other healthier foods in the house are one common result of basic income experiments. In Alaska, babies who got a \$1,000 oil dividend in their first year of life were 4.5 percent less likely to be obese, compared to those who first benefited as toddlers.

(12) American Union Jobs recognize the value in the work that everyone does, even if it is not employment. UBI will allow many families to consider having a parent stay home during a child's formative years, further strengthening families. Proposals to address poverty with a higher minimum wage miss important boons like this one, because they only benefit those who work for financial compensation. UBI is an unconditional \$20,000 annual raise for every adult. It offers greater freedom to decide for oneself how to allocate time between work and leisure.

(13) The cliché of the starving artist is well known. With UBI to provide a minimum level of income, it is easy to imagine art colonies springing up, with people pooling their incomes and sharing a house while they pursue their art. Others will form cooperatives around different businesses or industries. One can picture artisans working together to run small factories or farms, video game studios, or boutique offerings of all sorts. With America enmeshed in the

world wide web, the demand for global entrepreneurial services can be provided from anywhere.

(14) For those engaged in traditional employment, American Union Jobs will provide greater liberty in choosing an employer, freeing people to seek right livelihood. They will also enable greater civic engagement. In 2011, Occupy Wall Street needed about \$1,000 each day for food in Zuccotti Park. While people made sacrifices to be there, it was unsustainable. American Union Jobs bring the power to petition our government for redress of grievances. At \$55 a day per adult, campaigns could literally occupy Washington.

(15) UBI unlocks large amounts of human potential that is currently trapped by poverty. The impact of economic stress has been tested in many ways, such as evaluating farmers in India before and after the harvest. The distraction of insecurity has been found to lower IQ by 13 points, and to increase the number of errors factory workers make.

(16) Unsurprisingly, poverty is also a driver of crime. Basic economic principles suggest people commit crimes if the benefits outweigh the cost, so poor people have a higher rate of return. Alaska discovered that property crimes fell about 8 percent in the 2 weeks after their annual oil dividend was distributed.

(17) This influence works in both directions: the criminal justice system disproportionately includes people in the lower quintiles of income. A 2009 Villanova University study concluded mass incarceration has increased the US poverty rate by an estimated 20 percent. A family's probability of being poor is 40 percent greater if the father is imprisoned.

(18) Many Americans would use their UBI to pay down student loans or other debt. As productivity has increased since the 1970s, wages have not kept up with those gains, resulting in an economic gap between the amount of wages earned in the economy and the value of goods produced for sale. That structural deficit, which has been temporarily filled in with increasing consumer debt, can only be permanently bridged by an external source of income—or, alternately, negated by widespread defaults. American Union Jobs are essential to the continued prosperity of our nation.

(19) Although they are unconditional—no one can be fired from an American Union Job any more than they can be fired from being an American—they do include job duties. They are a regular reminder of the 5 duties enumerated in the Preamble: establish justice, insure domestic tranquility, provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity.

(20) Even the rare individual who does nothing productive in a given week is promoting the general welfare [prosperity] by spending their UBI, bridging that structural gap between wage income and productive output. This will rejuvenate local economies all around the nation, as small businesses reap the rewards of new paying customers. An economy powered by UBI is a trickle-up economy; money is spent multiple times as it works its way up the economic ladder.

(21) As Americans, we can cooperate to ensure all of us have enough to meet our basic needs. That gives us greater freedom from economic coercion, providing the ability to walk away from abusive or exploitative relationships. The liberty to make meaningful choices about our lives is a critical component of happiness.

(b) Purpose.—The purpose of the American Union Jobs Program is to—

- (1) promote the general health, happiness, and prosperity;
- (2) remind every citizen of the United States of our duties to each other; and
- (3) end poverty.

(c) [Chapter 7 of title 42](#), United States Code, is amended by inserting after subchapter XXI the following:

"SUBCHAPTER XXII—AMERICAN UNION JOBS PROGRAM

"SEC. 1398a. Definitions.

"SEC. 1398b. American Union Jobs Program.

"SEC. 1398c. Basic wage.

"SEC. 1398d. Monthly eligibility and payment components.

"SEC. 1398e. Child payments and redirection.

"SEC. 1398f. Baby bonus and expectant mother payments.

"SEC. 1398g. Administration, payment delivery, and protections.

"Sec. 1398a. Definitions.

"In this subchapter:

"(1) Adult.—The term 'adult' means, with respect to a calendar month, a citizen of the United States who, on the 1st day of that month, has attained the age of 18 or is legally emancipated under State law.

"(2) American Union Job.—The term 'American Union Job' means the voluntary civic responsibilities of a citizen of the United States who receives unconditional payments under the American Union Jobs Program.

"(3) American Union Jobs Program.—The term 'American Union Jobs Program' means the program established under this subchapter.

"(4) Apprentice wage.—The term 'apprentice wage' means an amount that is two-fifths of the basic wage.

"(5) Basic wage.—The term 'basic wage' means the amount calculated under section 1398c.

"(6) Child.—The term 'child' means, with respect to a calendar month, a citizen of the United States who is not an adult on the 1st day of that month.

"(7) Commissioner.—The term 'Commissioner' means the Commissioner of the Social Security Administration.

"(8) Treasury transaction account.—The term 'Treasury transaction account' means a Treasury transaction account established or maintained under section 623 of the POPULIST Act.

"(9) Expectant mother.—The term 'expectant mother' means a citizen of the United States who is pregnant.

"(10) Job duties.—The term 'job duties' means the voluntary civic duties of each citizen of the United States, individually and collectively as part of We the People, drawn from the Preamble to the Constitution of the United States—

"(A) to establish justice;

"(B) to ensure domestic tranquility;

"(C) to provide for the common defense;

"(D) to promote the general welfare; and

"(E) to secure the blessings of liberty to ourselves and our posterity.

"(11) Minor parent.—The term 'minor parent' means, with respect to a calendar month, a parent who, on the 1st day of that month, has not attained the age of 18 and is not legally emancipated under State law.

"(12) Office.—The term 'Office' means the Office of the American Union Jobs Program established under section 1398b(a).

"(13) Parent.—The term 'parent' means, with respect to a child for a calendar month, a biological parent, adoptive parent, legal guardian, or other person with legal custody of the child on the 1st day of that month, except that such term does not include any person whose parental rights, guardianship authority, or legal custody with respect to the child has been terminated by court order.

"(14) Prenatal payment.—The term 'prenatal payment' means an amount equal to one-fortieth of the basic wage.

"(15) Redirected portion.—The term 'redirected portion' means the portion of a child payment under section 1398e that is payable to—

"(A) 1 or more parents; or

"(B) a representative payee.

"(16) Representative payee.—The term 'representative payee' means an individual or organization approved or selected by the Commissioner under section 1398g(e).

"(17) Secretary.—The term 'Secretary' means the Secretary of the Treasury.

"(18) Unconditional payment.—The term 'unconditional payment' means a payment that, except as expressly provided in this subchapter and once payable under this subchapter, must be made and may not be denied, reduced, delayed, or withheld for any reason, including age, ancestry, arrest record, bankruptcy, criminal conviction, debt or other liability, gender,

geographic location, incarceration, income, marital status, occupation, race, religion, or sexual orientation.

"Sec. 1398b. American Union Jobs Program.

"(a) Office.—There is established within the Social Security Administration an office to be known as the Office of the American Union Jobs Program, which shall be headed by a Deputy Commissioner for American Union Jobs, appointed by the Commissioner.

"(b) Establishment.—Within the Office there is established the American Union Jobs Program, and every citizen shall have an American Union Job.

"(c) Purpose.—The purpose of the American Union Jobs Program is to provide a universal safety floor for citizens of the United States through unconditional payments that support the ability of each citizen to live with dignity, participate in the civic life of the United States, and fulfill the job duties of We the People.

"(d) Civic reminders.—Not later than 30 days after an adult is first credited a payment under this subchapter, and not less frequently than annually thereafter, the Commissioner, acting through the Office, shall provide the adult with a notice that—

"(1) explains the citizen will receive a Treasury Recurring Unconditional Monetary Payment for each month in such citizen's Treasury transaction account;

"(2) provides the text of the Preamble to the Constitution of the United States, identifies its 5 duties, and explains that they are the civic duties of citizenship;

"(3) explains that under the American Union Jobs Program, each citizen is an independent agent with the freedom and liberty to fulfill such duties however the citizen sees fit, and such duties are not conditions of payment; and

"(4) invites each citizen to consider how they might, individually and collectively, help to—

"(A) establish justice;

"(B) ensure domestic tranquility;

"(C) provide for the common defense;

"(D) promote the general welfare; and

"(E) secure the blessings of liberty to ourselves and our posterity.

"(e) Office duties.—The Office shall—

"(1) administer the American Union Jobs Program;

"(2) enroll every citizen of the United States in the American Union Jobs Program;

"(3) establish and maintain the system of records required under subsection (f);

"(4) determine monthly eligibility and payment components under this subchapter;

"(5) coordinate with the Secretary to deliver payments through Treasury transaction accounts;

"(6) establish procedures for child payments, redirected portions, unredirected portions, parental reallocation, representative payees, and expectant mother payments;

"(7) hire personnel and make employment decisions with respect to such personnel;

"(8) enter into cooperative agreements under subsection (g);

"(9) prevent fraud and abuse in enrollment, identity verification, account routing, representative payee administration, and other administrative functions, consistent with the unconditional nature of payments under this subchapter;

"(10) protect the privacy and security of records maintained under this subchapter;

"(11) maintain a website and other accessible information portals for the public;

"(12) provide accessible procedures for citizens and payees to update relevant information, correct errors, claim missed payments, and appeal adverse determinations;

"(13) provide the civic reminders required under subsection (d); and

"(14) carry out such other duties as the Commissioner determines necessary to administer this subchapter.

"(f) System of records.—The system of records maintained under subsection (e)(3) may include, for each person or entity as necessary to administer this subchapter—

"(1) legal name;

"(2) contact information, including mailing address, telephone number, and email address;

"(3) place and date of birth;

"(4) Social Security number or other identifying number;

"(5) the Treasury transaction account to which payments will be credited;

"(6) information identifying parents and the allocation of child payments under section 1398e;

"(7) information identifying a representative payee, if applicable;

"(8) preferred payment frequency; and

"(9) any other information that the Commissioner determines relevant and necessary to administer this subchapter.

"(g) Cooperative agreements and data.—

"(1) In general.—The Commissioner, acting through the Office, may enter into cooperative agreements with Federal, State, Tribal, territorial, and local agencies and other persons as necessary to verify facts relevant to the administration of this subchapter.

"(2) Health care verification.—A cooperative agreement with a licensed health care practitioner or health care facility may be used only to verify facts relevant to expectant mother payments under section 1398f.

"(3) Privacy and data minimization.—A cooperative agreement under this subsection shall include safeguards to protect privacy and limit the collection, use, and disclosure of information to the information necessary to administer this subchapter.

"Sec. 1398c. Basic wage.

"(a) Initial basic wage.—For calendar year 2027, the basic wage shall be \$20,000.

"(b) Inflation adjustment.—

"(1) In general.—For calendar year 2028 and each calendar year thereafter, the basic wage shall be the amount determined by increasing the basic wage for the preceding calendar year by the percentage determined under paragraph (2), subject to paragraphs (3) and (4).

"(2) Percentage.—The percentage determined under this paragraph for a calendar year shall be the percentage of the 12-month change in the Consumer Price Index for All Urban Consumers (CPI-U) ending August 31 of the preceding calendar year.

"(3) No decrease.—If the percentage determined under paragraph (2) is zero or less than zero, the basic wage for the calendar year shall be equal to the basic wage for the preceding calendar year.

"(4) Rounding.—If the basic wage determined under this subsection is not a multiple of \$60, such amount shall be rounded up to the next multiple of \$60.

"(c) Announcement and publication.—For calendar year 2028 and each calendar year thereafter, the Commissioner shall announce and publish the basic wage and apprentice wage for the following calendar year at the same time the Commissioner announces the cost-of-living adjustment for benefits under title II of the Social Security Act, or as soon as practicable thereafter.

"Sec. 1398d. Monthly eligibility and payment components.

"(a) Monthly determination.—

"(1) In general.—For each calendar month, the Commissioner shall determine eligibility and payment components under this subchapter based on facts existing on the 1st day of that month, and a payment component under this subchapter shall not be prorated or increased based on a change in fact that occurs after the 1st day of such month.

"(2) Death during month.—A person's entitlement to any payment component for that month shall vest on the 1st day of that month and, in case of death, shall be payable to the person's estate or other person lawfully entitled to receive such property, except that a payment issued for a calendar month beginning after the death of the person whose status gave rise to the payment may be recovered from the payee or the payee's estate.

"(3) Exceptions.—An initial payment described in section 1398f(c), a baby bonus described in section 1398f(a), and a catch-up payment described in section 1398g(d) may be made without regard to paragraph (1).

"(b) Components.—For each calendar month, payment components under this subchapter are additive and include—

- "(1) an adult monthly component under subsection (c);
- "(2) the unredirected portion of a child payment under section 1398e;
- "(3) 1 or more redirected portions of child payments under section 1398e; and
- "(4) a prenatal payment under section 1398f(b).

"(c) Adult monthly component.—For each calendar month, each adult shall be entitled to an adult monthly component equal to one-twelfth of the basic wage for the calendar year that includes that month.

"(d) Payment frequency.—

"(1) In general.—The Commissioner shall provide payments under this subchapter not less frequently than monthly and shall permit a person entitled to payment to elect more frequent installments when administratively practicable.

"(2) Effect of more frequent installments.—An election under paragraph (1) shall not alter the total amount payable for a calendar month, as determined under subsection (a)(1).

"Sec. 1398e. Child payments and redirection.

"(a) Child payment.—For each calendar month, the Commissioner shall provide a payment for each child equal to one-twelfth of the apprentice wage for the calendar year that includes that month.

"(b) Division of child payment.—

"(1) In general.—For each calendar month, the amount described in subsection (a) shall be divided into—

"(A) the redirected portion (as determined under paragraph (2) or (3)), which shall be payable under subsection (c); and

"(B) the unredirected portion, which shall remain an unconditional payment payable to the child's Treasury transaction account.

"(2) Redirection schedule.—For each calendar month, the redirected portion of the amount described in subsection (a) shall be determined based on the age of the child on the 1st day of that month as follows:

- "(A) For a child who has not attained the age of 8, 99 percent.
- "(B) For a child who has attained the age of 8 but not 9, 95 percent.
- "(C) For a child who has attained the age of 9 but not 10, 90 percent.
- "(D) For a child who has attained the age of 10 but not 11, 85 percent.
- "(E) For a child who has attained the age of 11 but not 12, 80 percent.

"(F) For a child who has attained the age of 12 but not 13, 75 percent.

"(G) For a child who has attained the age of 13 but not 14, 70 percent.

"(H) For a child who has attained the age of 14 but not 15, 65 percent.

"(I) For a child who has attained the age of 15 but not 16, 60 percent.

"(J) For a child who has attained the age of 16 but not 17, 55 percent.

"(K) For a child who has attained the age of 17, 50 percent.

"(3) Redirection adjustment by parents.—The redirected percentage for a calendar month may be reduced by unanimous agreement of all parents of the child. Revocation of such agreement shall take effect, and paragraph (2) shall apply, beginning with the subsequent calendar month.

"(c) Allocation of redirected portion.—

"(1) In general.—Unless otherwise provided for by this subsection or subsection (d), the redirected portion shall be allocated equally among the parents of the child.

"(2) Express legal allocation.—If a court order, guardianship record, custody record, or other legal record expressly allocates the redirected portion for a given month, the redirected portion shall be allocated in accordance with that record.

"(3) Allocation adjustment by parents.—If paragraph (2) does not apply, the allocation shares may be adjusted unequally among 1 or more parents by unanimous agreement of all parents of the child. Revocation of such agreement shall take effect, and paragraph (1) shall apply, beginning with the subsequent calendar month.

"(4) Allocation by custody schedule.—

"(A) In general.—If paragraphs (2) and (3) do not apply, any parent may request allocation based on time of residential responsibility under a current court order. The redirected portion shall be allocated proportionally based on the number of days of residential responsibility in a 12-month period under that order.

"(B) Fractional days calculation.—For purposes of this paragraph, the 24 hours of any calendar day with shared residential responsibility shall be tabulated for each parent as follows:

"(i) for less than 10 hours of residential responsibility, as 8 hours;

"(ii) for 10 hours through 14 hours of residential responsibility, as 12 hours; and

"(iii) for more than 14 hours of residential responsibility, as 16 hours.

"(d) Minor parent allocation rule.—

"(1) In general.—If 1 or more parents of a child are minor parents on the 1st day of a calendar month, the redirected portion for that child for that month shall be allocated under this subsection.

"(2) Allocation to mother.—

"(A) In general.—The redirected portion for such child shall be allocated to the parent who gave birth to the child until paragraph (1) no longer applies.

"(B) Exception.—If the parent who gave birth to the child is not living, cannot be identified, or is not a parent of the child on the 1st day of such calendar month, the Commissioner shall allocate the redirected portion in the manner most consistent with this section.

"(3) Further redirection for minor mother.—If an amount is allocated under paragraph (2) to a parent who is a minor parent, such payment shall be allocated in accordance with this section as though the minor parent were a child, without regard to the citizenship of the minor parent.

"(e) Protective and fallback rules.—The Commissioner shall establish rules to administer redirection under this section in cases involving an unknown parent, deceased parent, terminated parental rights, protective order, foster care placement, guardianship change, adoption, or other change in legal or residential responsibility, provided that—

"(1) if no parent or representative payee can be identified for a child on the 1st day of a calendar month, the payment shall be made pursuant to subsection (a) without redirection;

"(2) a State, local, or private foster care agency may receive a redirected portion of a payment under subsection (a) only to the extent expressly authorized by court order or by regulations issued by the Commissioner to protect the interests of the child; and

"(3) any representative payee receiving a redirected portion under this section shall act as a fiduciary for the use and benefit of the child.

"(f) No restriction on redirected payments to parents.—A redirected portion paid to a parent shall not be subject to any requirements or conditions.

"Sec. 1398f. Baby bonus and expectant mother payments.

"(a) Baby bonus.—

"(1) In general.—When the Commissioner has been provided with verification that an expectant mother gave birth to 1 or more infants born alive, the Commissioner shall promptly provide a payment to such mother in an amount equal to the difference between—

"(A) the product obtained by multiplying—

"(i) three-tenths of the basic wage for the calendar year that includes the date of birth; by

"(ii) the number of such infants; and

"(B) the sum of all payments made under this section with respect to the pregnancy, including—

"(i) all prenatal payments; and

"(ii) the initial payment calculated under subsection (c).

"(2) No reduction in child payment.—A payment under this subsection shall not reduce, delay, or offset any payment to or for the child under section 1398d or 1398e.

"(b) Prenatal payments.—

"(1) In general.—An expectant mother shall be entitled to monthly prenatal payments for a pregnancy if—

"(A) the Commissioner has been provided with verification of the expectant mother's pregnancy, including an expected delivery date; and

"(B) the expectant mother agrees to repay any payment made under this section with respect to the pregnancy if the expectant mother electively terminates the pregnancy, unless exempted under subsection (e)(2).

"(2) Monthly payment.—Beginning with the 1st calendar month after the calendar month in which the requirements of paragraph (1) are met, and continuing through the calendar month in which the pregnancy ends, the Commissioner shall pay the expectant mother 1 prenatal payment for each calendar month during which the expectant mother is pregnant on the 1st day of the month.

"(3) No effect on other payments.—A decision not to enter into an agreement under paragraph (1)(B) shall not affect any payment under this subchapter other than a payment under this subsection and subsection (c).

"(c) Initial payment.—As soon as practicable after an expectant mother qualifies for prenatal payments under subsection (b), the Commissioner shall pay the expectant mother an initial payment equal to—

"(1) four-fifteenths of the basic wage for the calendar year in which the expectant mother qualifies for prenatal payments under subsection (b); minus

"(2) the product of—

"(A) the amount of a prenatal payment for the calendar month in which the expectant mother qualifies for prenatal payments under subsection (b); and

"(B) the number of calendar months, beginning with the 1st calendar month after the calendar month in which the expectant mother qualifies for prenatal payments under subsection (b) and ending with the calendar month that includes the expected date of delivery, during which, based on the verification received under subsection (b), the pregnancy is expected to exist on the 1st day of the month.

"(d) Pregnancy ending without live birth.—If a verified pregnancy ends by miscarriage, stillbirth, or a termination described in subsection (e)(2), the expectant mother shall not be required to repay any amount paid under this section.

"(e) Repayment obligation.—

"(1) In general.—Except as provided in paragraph (2), if an expectant mother receives a payment under this section and electively terminates the pregnancy, the amount paid under this section for that pregnancy shall be a debt owed to the United States.

"(2) Exceptions.—Paragraph (1) shall not apply if, in the appropriate medical judgment of the attending health care practitioner or practitioners—

"(A) the abortion is medically indicated to protect the life or health of the expectant mother; or

"(B) a lethal fetal abnormality makes it improbable that the infant would survive until the infant's 1st birthday.

"(3) Collection limitation.—A debt under paragraph (1) may not be collected by denying, reducing, suspending, offsetting, garnishing, attaching, assigning, alienating, levying on, or withholding any payment under this subchapter, except pursuant to a voluntary authorization described in section 1398g(f)(4).

"(f) Confidentiality.—The Commissioner shall protect information received under this section in a manner that preserves the privacy, dignity, and medical confidentiality of the expectant mother.

"Sec. 1398g. Administration, payment delivery, and protections.

"(a) Source of funds.—Payments under this subchapter shall be paid exclusively from the American Value Fund established by section 623(b)(5) of the POPULIST Act.

"(b) Commencement of payments.—Payments under this subchapter shall commence with the 1st calendar month that begins on or after the later of—

"(1) January 1, 2027; or

"(2) the launch date designated under section 623(e)(4) of the POPULIST Act and described in section 623(e)(5) of that Act.

"(c) Payment delivery.—The Commissioner, in coordination with the Secretary, shall ensure that, in the amounts, allocations, and timing required by this subchapter—

"(1) each payment component payable directly to a citizen under this subchapter is credited to the citizen's Treasury transaction account established under section 623(b)(1) of the POPULIST Act;

"(2) each redirected portion payable to a parent under section 1398e is credited to the appropriate Treasury transaction account for that parent; and

"(3) each representative payee payment or other payment managed by another person or entity for the use and benefit of a citizen is credited to the appropriate Treasury transaction account for that person or entity.

"(d) No loss of entitlement.—For any calendar month beginning on or after the month described in subsection (b), a person otherwise eligible but not enrolled in the American Union Jobs Program or not assigned a Treasury transaction account shall, upon such condition being remedied, receive a catch-up payment sufficient to make the person whole.

"(e) Representative payees.—

"(1) In general.—If the Commissioner determines that a citizen entitled to a payment under this subchapter is unable to manage or direct the management of the payment, the Commissioner may approve a representative payee, or, if no suitable proposed representative payee is available, select a representative payee, to receive, manage, or direct the management of the payment for the use and benefit of the citizen.

"(2) Evidence.—In approving or selecting a representative payee, the Commissioner may consider a power of attorney, guardianship order, advance designation, family relationship, caregiving relationship, or other reliable evidence.

"(3) Individual or organization.—A representative payee may be an individual or organization.

"(4) Fiduciary standard.—A representative payee shall act as a fiduciary for the use and benefit of the citizen entitled to the payment.

"(5) No effect on eligibility or amount.—Approval or selection of a representative payee shall not reduce the amount of any payment under this subchapter or make the citizen ineligible for such payment.

"(6) Not assignment or alienation.—Payment to a representative payee under this subsection shall not constitute assignment or alienation of an unconditional payment.

"(7) Misuse.—If the Commissioner determines that a representative payee has misused, converted, or failed to manage a payment for the use and benefit of the citizen entitled to the payment, the Commissioner shall take appropriate protective action, which may include revoking the designation, approving or selecting a successor representative payee, requiring accounting or restitution, or referring the matter for enforcement.

"(f) Payment protection and voluntary authorizations.—

"(1) Protection from legal process.—No payment under this subchapter, and no amount attributable to such payment while held in the recipient's Treasury transaction account, may be subject to garnishment, assignment, offset, alienation, bankruptcy or insolvency proceeding, or any other legal or equitable process under Federal, State, or local law.

"(2) Payment coding.—The Commissioner, in coordination with the Secretary, shall ensure that each payment under this subchapter is designated as a protected Federal benefit payment, including through use of the characters 'XX' in the Company Entry Description field, any applicable payment type code, and any other protection mechanism under [part 212 of title 31](#), Code of Federal Regulations, or any successor regulation, system, or payment infrastructure.

"(3) No collection by reduction.—No payment under this subchapter may be reduced, offset, or withheld to collect any debt, tax, or other obligation.

"(4) Voluntary authorizations permitted.—

"(A) In general.—Notwithstanding paragraph (3), a person may authorize—

"(i) repayment of a debt owed under this subchapter from a future payment under this subchapter if such authorization is made after the debt arises; or

"(ii) voluntary withholding of taxes from a payment under this subchapter pursuant to a request made by the person entitled to the payment, or by the person's representative payee, in accordance with section 3402(p)(1) of the Internal Revenue Code of 1986 ([26 U.S.C. 3402\(p\)\(1\)](#)). (For purposes of such section, a payment under this subchapter shall be treated as a specified Federal payment.)

"(B) Revocation.—An authorization under this paragraph may be revoked by the person who made the authorization.

"(C) No condition.—An authorization under this paragraph may not be required as a condition of eligibility, payment, enrollment, account access, representative payee designation, error correction, appeal, or any other service under this subchapter.

"(g) Treatment under Social Security Act.—A payment under this subchapter shall not be treated as wages under section 209 of the Social Security Act ([42 U.S.C. 409](#)) and shall not be treated as substantial gainful activity for purposes of title II or title XVI of such Act.

"(h) Rule of construction for taxes and benefits.—Except as provided in subsection (g), nothing in this subchapter shall be construed to exclude a payment under this subchapter from gross income or to require the payment to be disregarded for purposes of determining eligibility for, or the amount of, any Federal benefit.

"(i) Implementation and rulemaking.—

"(1) Interim final rules.—Not later than 60 days after the date of enactment of the POPULIST Act, the Commissioner, in consultation with the Secretary, shall issue interim final rules to carry out this subchapter.

"(2) Effect of rules.—The interim final rules issued under paragraph (1)—

"(A) shall take effect upon publication in the Federal Register;

"(B) shall have the force and effect of law; and

"(C) shall remain in effect until superseded by final rules issued under paragraph (5).

"(3) Rulemaking requirements.—The interim final rules under paragraph (1) may be issued without regard to [section 553 of title 5, United States Code](#).

"(4) Public comment.—The Commissioner shall provide a public comment period of not less than 60 days after publication of the interim final rules.

"(5) Final rules.—Not later than December 31, 2027, the Commissioner, in consultation with the Secretary, shall issue final rules to carry out this subchapter.

"(6) No loss of entitlement.—A delay in issuance of rules or promulgation of final rules shall not extinguish or reduce any entitlement to a payment required under this subchapter.

"(j) Additional regulations, guidance, forms, and procedures.—The Commissioner, in coordination with the Secretary, may issue regulations, guidance, forms, and procedures necessary to carry out this subchapter."

(d) Conforming amendment to definition of wages.—Section 209(a) of the Social Security Act ([42 U.S.C. 409\(a\)](#)) is amended—

(1) in paragraph (19)(B), by striking "or" at the end;

(2) in paragraph (20), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(21) any payment under subchapter XXII of chapter 7 of title 42, United States Code, relating to the American Union Jobs Program."

(e) Repeal of child tax credit.—

(1) In general.—Section 24 of the Internal Revenue Code of 1986 is repealed.

(2) Clerical amendment.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 24.

(3) Effective date.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2026.

(f) Administrative funding.—

(1) Startup funding.—There is appropriated to the Social Security Administration, out of amounts in the Treasury not otherwise appropriated, \$2,000,000,000, to remain available until September 30, 2028, to administer the American Union Jobs Program, including amounts necessary to establish the Office of the American Union Jobs Program, enroll eligible citizens, coordinate with the Department of the Treasury, issue interim final and final rules, maintain records and public information portals, and carry out the payment, representative payee, appeal, correction, and privacy functions required under subchapter XXII of chapter 7 of title 42, United States Code.

(2) Dedicated administrative funding.—For fiscal year 2029 and each fiscal year thereafter, amounts transferred to the Social Security Administration pursuant to chapter 7 of subtitle A of the Internal Revenue Code of 1986 for administration of the American Union Jobs Program shall remain available until expended.

(3) Repayment of initial appropriation.—Amounts appropriated pursuant to paragraph (1) shall be repaid to the Treasury not later than September 30, 2036.

(4) Budgetary treatment.—Amounts transferred under paragraph (2) shall be treated as offsetting receipts for purposes of the Congressional Budget Act of 1974.

SEC. 812. AMERICAN UNION EMPLOYMENT GUARANTEE.

(a) Findings.—Congress finds the following:

(1) Productive work performed in service to the public strengthens democratic participation, social trust, and economic stability.

(2) The Federal Government has the capacity to serve as an employer of last resort by offering a public option for paid employment.

(3) Providing voluntary access to paid employment complements income support programs by enabling individuals to contribute labor, develop skills, and maintain attachment to the workforce.

(4) Investments in education, training, public infrastructure, caregiving, digital services, and cooperative enterprise generate long-term public value.

(5) A federally funded employment program that operates continuously and adapts to economic conditions can function as an automatic stabilizer during economic downturns.

(6) Employment programs should be designed to supplement, and not displace, existing workers or undermine labor standards.

(7) Transparency, accountability, and continuity of employment are essential to maintaining public trust in federally funded employment programs.

(b) In this section:

(1) American Union Employment.—The term "American Union Employment" means voluntary, federally funded employment made available to eligible individuals under this section.

(2) Eligible individual.—The term "eligible individual" means any adult citizen of the United States.

(3) Employment hub.—The term "employment hub" means a State, regional, or other administrative entity designated by the Secretary to coordinate job placements, oversee participating projects, and ensure compliance with this section.

(4) Participating entity.—The term "participating entity" means a person approved to host American Union Employment placements.

(5) Project sponsor.—The term "project sponsor" means a person that submits a proposed public value project approved under subsection (e)(4), whether or not such person is approved as a participating entity.

(6) Public value project.—The term "public value project" means a project that provides new or additional public benefit.

(7) Secretary.—The term "Secretary" means the Secretary of Labor.

(c) Public option for employment.—

(1) Establishment.—The Secretary shall establish and administer a program of American Union Employment to provide a public option for paid employment to eligible individuals.

(2) Universal employment access.—Not later than January 1, 2028, the Secretary shall ensure that any eligible individual who seeks employment under this section is offered an employment placement not later than 14 days after the date of application.

(3) Fallback placement.—If no placement through an employment hub or participating entity is available within the period described in paragraph (2), the Secretary shall offer the eligible individual a federally administered placement, remote placement, education or training placement, temporary public service placement, or other placement sufficient to satisfy the guarantee under this subsection until a placement through an employment hub or participating entity becomes available.

(4) Continued eligibility.—An eligible individual who declines, leaves, or completes a placement under this section shall remain eligible to seek a new placement under this section.

(5) Voluntary participation.—Participation in American Union Employment shall be voluntary, and no individual shall be required to participate as a condition of receiving any other benefit or assistance under Federal law.

(6) No means or employment test.—Access to American Union Employment shall not be conditioned on income level, employment status, or participation in any work search, job readiness, or job placement program.

(7) Relationship to other income support.—Employment offered under this section shall be paid employment and shall be structured to complement, and not replace, other forms of income support provided under Federal law.

(d) Employment status, responsible employing entity, compensation, hours, and benefits.—

(1) Employment status.—An eligible individual placed in employment under this section shall be treated as an employee for purposes of Federal, State, and local labor and employment laws.

(2) Responsible employing entity.—For each placement under this section, the Secretary shall designate the Department of Labor, an employment hub, a participating entity, or another appropriate entity as the responsible employing entity for purposes of payroll administration, tax withholding, benefits administration, workers' compensation, unemployment insurance, workplace supervision, recordkeeping, and compliance with applicable Federal, State, and local labor and employment laws.

(3) Compensation.—

(A) Base compensation.—The Secretary shall establish a base wage for employment under this section of not less than \$15 per hour for calendar year 2028. For calendar year 2029 and each calendar year thereafter, the minimum base wage shall equal the minimum base wage for the preceding calendar year increased by the percentage increase, if any, in the Consumer Price Index for All Urban Consumers for the 12-month period ending August 31 of the preceding calendar year, rounded up to the nearest \$0.05. The Secretary shall publish the adjusted minimum base wage not later than October 31 of the preceding calendar year.

(B) Higher applicable wage not prohibited.—Nothing in this section shall be construed to prohibit the payment of a wage greater than the base wage established under subparagraph (A) or to limit the application of any higher wage required under any other provision of law.

(C) Prevailing wage for construction and public works.—In the case of employment under this section involving construction, alteration, or repair, including painting and decorating, of a public building or public work, the Secretary shall require payment of wages at rates not less than those prevailing for corresponding classes of laborers and mechanics employed on projects of a character similar in the civil subdivision of the State in which the work is performed, as determined under [subchapter IV of chapter 31 of title 40](#), United States Code.

(4) Hours of employment.—

(A) In general.—Employment under this section may be offered on a part-time or full-time basis, as determined by the Secretary, employment hubs, and participating entities, in consultation with the eligible individual.

(B) Predictable scheduling.—The Secretary shall establish standards for fair and predictable scheduling under this section, including standards for advance notice of work schedules, schedule changes, and voluntary acceptance of additional hours.

(5) Benefits.—Individuals employed under this section shall be entitled to—

(A) paid sick leave; and

(B) paid time off, as determined by the Secretary.

(6) Prohibited conditions.—Employment under this section shall not be conditioned on—

(A) acceptance of full-time work where part-time work is available;

(B) the waiver of labor protections provided under Federal law; or

(C) the loss of eligibility for other Federal benefits solely by reason of participation in American Union Employment.

(e) Employment hubs, participating entities, and project origination.—

(1) Administration.—The Secretary shall administer American Union Employment and shall have primary responsibility for carrying out this section.

(2) Standards.—The Secretary shall establish baseline standards applicable to employment under this section, including standards relating to job quality, workplace safety, nondiscrimination, and compliance with applicable Federal labor laws.

(3) Employment hubs.—

(A) Designation.—The Secretary shall designate or establish State, regional, or other administrative entities, to be known as employment hubs, to coordinate job placements under this section.

(B) Functions.—Employment hubs shall—

- (i) coordinate the matching of eligible individuals to job placements;
- (ii) receive, vet, approve, and coordinate public value project proposals submitted under paragraph (4);
- (iii) ensure compliance with standards established under this section;
- (iv) serve as points of contact for eligible individuals, project sponsors, and participating entities;
- (v) determine, subject to standards established by the Secretary, whether a project sponsor is qualified to host employment placements directly or whether placements should be hosted by another participating entity; and
- (vi) maintain a local or regional inventory of approved public value projects and available placements.

(4) Project origination.—A State, local government, Tribal government, school district, public authority, nonprofit organization, accredited educational institution, cooperative, labor organization, worker cooperative, or other person may submit a proposed public value project to the Secretary or an employment hub for approval under this section. Submission or approval of a public value project shall not, by itself, constitute approval to host employment placements under this section.

(5) Participating entities.—The Secretary or an employment hub may approve a person as a participating entity for purposes of hosting employment placements under this section if the person demonstrates—

- (A) capacity to supervise eligible individuals;
- (B) ability to comply with standards established under this section;
- (C) ability to maintain appropriate records;
- (D) policies and operational capacity to prevent displacement of existing employees and avoid undercutting existing labor standards; and
- (E) ability to protect the health and safety of eligible individuals placed with the person and to comply with the protections provided under this section.

(6) National project registry.—The Secretary shall establish and maintain a publicly accessible national registry of projects funded under this section, including information on project purpose, location, project sponsors, participating entities, and aggregate outcomes.

(f) Eligible projects and employment categories.—

(1) General rule.—The Secretary shall ensure that employment opportunities provide a variety of public value projects organized within the employment categories described in paragraph (2).

(2) Employment categories.—

(A) Education-as-work.—Employment under this category shall permit eligible individuals to engage in full-time or part-time education while receiving compensation under this section.

(i) Eligible activities.—Activities under this category may include enrollment in accredited colleges or universities, community colleges, vocational or technical programs, apprenticeships, preparation for professional certifications, or completion of a high school diploma or equivalent.

(ii) Progress standards.—The Secretary may establish reasonable standards for academic progress, participation, or completion to ensure the effective use of funds under this category.

(iii) Combination with other employment.—Participants may combine education-based employment with employment under other categories described in this subsection, subject to standards established by the Secretary.

(B) Community service corps.—Employment under this category shall consist of projects addressing unmet community needs and providing direct public benefit.

(i) Eligible activities.—Activities may include education support, caregiving assistance, environmental remediation, public space maintenance, housing rehabilitation, food security, disaster preparedness, or other community service activities approved under this section.

(ii) Assignment structure.—Assignments under this category may be short-term or renewable and shall be designed to add capacity without replacing or displacing existing workers.

(C) Public works and infrastructure.—Employment under this category shall consist of projects involving the construction, repair, or modernization of public infrastructure.

(i) Eligible projects.—Projects may include public housing, transportation systems, energy infrastructure, water systems, and broadband deployment.

(ii) Workforce development.—The Secretary shall prioritize projects that provide on-ramps to skilled trades, apprenticeships, or long-term employment in infrastructure-related fields.

(iii) Project duration.—Projects under this category may be multi-year in duration and coordinated through State departments of transportation or public works authorities.

(D) Digital and remote work.—Employment under this category shall consist of projects that may be performed remotely or through digital means.

(i) Accessibility.—Projects under this category shall expand access for individuals with disabilities, caregiving responsibilities, or geographic limitations.

(ii) Eligible activities.—Activities may include digitization of public records, transcription of public documents, virtual education or mentoring, administrative support for public agencies, or technology-enabled public services.

(iii) Support and accommodations.—The Secretary shall ensure that participants have access to necessary training, equipment, and reasonable accommodations.

(E) Transitional employment.—Employment under this category shall consist of time-limited placements intended to support transitions into unsubsidized employment.

(i) Duration.—Placements under this category may be limited in duration as determined by the Secretary and shall be subject to the safeguards under subsection (i).

(ii) Employer partnerships.—The Secretary may authorize partnerships with private sector employers, including incentives for employers that hire participants into positions providing equal or greater compensation, subject to subsection (i).

(F) Innovation and entrepreneurship.—Employment under this category shall support participants seeking to develop socially beneficial enterprises, technologies, or services.

(i) Eligible activities.—Participants may engage in research, development, prototyping, or early-stage business formation while receiving compensation under this section.

(ii) Public benefit.—Projects under this category shall demonstrate potential public benefit, community benefit, industrial benefit, cooperative development, or job creation.

(iii) Duration limits.—The Secretary may establish reasonable limits on the consecutive and cumulative duration of participation under this category.

(G) Cooperative development.—Employment under this category shall support the formation of worker-owned cooperative enterprises.

(i) Integrated living and working arrangements.—Projects under this category may include shared housing arrangements that support collective business development.

(ii) Eligible sectors.—Cooperative enterprises may operate in sectors including services, manufacturing, food production, or technology.

(iii) Training and governance.—The Secretary shall provide, or coordinate access to, training in cooperative governance, legal formation, and business management.

(3) Movement between categories.—The Secretary shall permit eligible individuals to transition between employment categories over time, consistent with program standards, project availability, and individual circumstances.

(g) Project approval and public value standards.—

(1) Approval required.—A public value project may receive placements or funds under this section only if approved by the Secretary or an employment hub in accordance with standards established by the Secretary.

(2) Public value standard.—A public value project shall provide new or additional public benefit, which may include the provision of services, the expansion of institutional capacity, the

development of human capital through education or training, the creation of community or industrial capacity, or another benefit consistent with the purposes of this section.

(3) Examples of public value.—A public value project may provide public value by providing, supporting, or expanding—

- (A) direct public services;
- (B) education, training, apprenticeship, credentialing, or workforce development;
- (C) caregiving, disability support, elder support, youth support, or other community care;
- (D) public infrastructure, public works, housing repair, housing construction, maintenance, or resilience;
- (E) environmental restoration, conservation, remediation, climate adaptation, or disaster preparedness;
- (F) digital public services, public records modernization, civic technology, or administrative capacity for public or nonprofit institutions;
- (G) food security, public health, transportation access, or other community needs;
- (H) worker cooperative development, community enterprise, socially beneficial entrepreneurship, or innovation;
- (I) transition into unsubsidized employment; or
- (J) another public benefit consistent with the purposes of this section.

(4) No categorical ranking.—The Secretary may not deny approval of a project solely because the project falls within one category of public value rather than another category of public value.

(5) Required project standards.—The Secretary shall establish standards for project approval, including standards relating to project purpose, supervision, workplace safety, accessibility, nondisplacement, recordkeeping, participant support, and compliance with this section.

(6) Modification and renewal.—The Secretary or an employment hub may approve, modify, renew, suspend, or terminate a public value project in accordance with standards established under this section.

(h) Nondisplacement and anti-undercutting protections.—

(1) Nondisplacement of workers.—Employment under this section shall not be used by a participating entity or project sponsor to displace existing employees.

(2) Workforce integrity.—A participating entity or project sponsor may not reduce its workforce for the purpose of receiving or expanding employment placements under this section.

(3) Labor protections.—Individuals employed under this section shall be protected by applicable Federal labor and employment laws, including laws relating to workplace safety, nondiscrimination, wages and hours, and protection against retaliation.

(4) Anti-undercutting rule.—Employment under this section may not be used to lower wages, reduce benefits, weaken labor standards, avoid collective bargaining obligations, replace contracted work in order to reduce labor costs, or otherwise undermine the terms and conditions of employment for existing employees.

(5) Labor dispute protection.—An eligible individual may not be assigned under this section to perform the work of an employee who is engaged in a strike, lockout, or other labor dispute.

(6) Bargaining unit protection.—If a proposed placement would perform work that is the same as or substantially similar to work performed by employees in a bargaining unit, the Secretary or employment hub shall require consultation with the exclusive representative of such employees before approving the placement.

(7) Enforcement against participating entities and project sponsors.—If the Secretary determines that a participating entity or project sponsor has violated this section, the Secretary may impose corrective actions, including suspension or termination of the entity's participation under this section.

(8) Participant continuity.—In the event of suspension or termination of a participating entity, project sponsor, or public value project under paragraph (7), the Secretary shall ensure that affected individuals are promptly offered alternative employment placements.

(i) Transitional employment safeguards.—

(1) Scope.—This subsection applies to a transitional employment placement with a private sector employer. Nothing in this subsection shall prohibit a temporary, seasonal, term-limited, or project-based placement under another employment category if the placement otherwise satisfies this section.

(2) In general.—A transitional employment placement with a private sector employer may be used only to support an eligible individual's transition into unsubsidized employment and shall be subject to standards established by the Secretary.

(3) Wage subsidy or incentive.—The Secretary may provide a wage subsidy, training subsidy, hiring incentive, retention incentive, or other support to a private sector employer that hires or hosts an eligible individual in a transitional employment placement.

(4) Time limitation.—The Secretary shall establish limits on the duration and cumulative use of subsidies or incentives under this subsection for the same eligible individual and the same private sector employer, except that expiration of such subsidy or incentive shall not terminate the eligible individual's eligibility for employment under this section.

(5) Employer contribution.—A private sector employer may not receive a subsidy or incentive under this subsection unless the employer pays the eligible individual, from funds not provided under this subsection, compensation in addition to the subsidy or incentive in an amount determined by the Secretary, sufficient to ensure that the eligible individual receives

total compensation greater than the compensation the individual would receive in a non-transitional placement under this section.

(6) Conversion to unsubsidized employment.—The Secretary may condition subsidies or incentives under this subsection on commitments by the private sector employer to retain the eligible individual in unsubsidized employment after the subsidy or incentive period, subject to exceptions established by the Secretary for good cause.

(7) Anti-cycling rule.—A private sector employer may not repeatedly use subsidized transitional employment placements to fill the same or substantially similar position without retaining eligible individuals in unsubsidized employment.

(8) Recent layoff restriction.—The Secretary shall deny, suspend, or terminate approval of a private sector employer under this subsection if the employer has, during the preceding 12 months, conducted layoffs, reduced hours, or reduced compensation in the same or substantially similar positions and seeks to use subsidized placements to refill such positions.

(9) Enforcement.—The Secretary may require repayment of subsidies or incentives, impose civil penalties, suspend participation, terminate participation, or impose other remedies for a violation of this subsection.

(j) Funding and appropriations.—

(1) Initial appropriation.—There is appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated, \$70,000,000,000 for initial implementation of this section.

(2) Additional sums.—There are appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for each fiscal year to carry out this section and satisfy the employment access guarantee under subsection (c).

(3) Availability of funds.—Amounts appropriated under this subsection shall remain available until expended.

(4) Use of funds.—Amounts appropriated under this subsection may be used for wages, benefits, payroll costs, training, supervision, program administration, oversight, compliance, data systems, transitional employment subsidies or incentives under subsection (i), and other expenses necessary to carry out this section, including the establishment, acquisition, leasing, construction, renovation, equipping, and operation of employment hubs and related facilities.

(5) Administrative placements.—In carrying out this section, the Secretary shall, to the maximum extent practicable, utilize eligible individuals employed under this section as administrative personnel as part of a workforce development and management training pathway.

(6) Continuity of employment.—The Secretary shall administer funds appropriated under this subsection in a manner sufficient to support continuous access to employment placements consistent with this section.

(7) Demand reporting.—Not later than 90 days after the end of each fiscal year, the Secretary shall submit to Congress and make publicly available a report describing—

- (A) the number of eligible individuals who applied for employment under this section;
- (B) the number of eligible individuals placed in employment under this section;
- (C) the average time between application and placement;
- (D) the number of fallback placements provided under subsection (c)(3);
- (E) the amount obligated and expended under this subsection;
- (F) projected demand for employment under this section for the next fiscal year; and
- (G) any administrative, geographic, sectoral, or project-capacity barriers to satisfying the employment access guarantee under subsection (c).

(k) Implementation and rulemaking.—

(1) Interim final rules.—Not later than April 30, 2027, the Secretary shall issue interim final rules to carry out this section.

(2) Effect of rules.—The interim final rules issued under paragraph (1)—

(A) shall take effect upon publication in the Federal Register, except that the Secretary may delay the effective date of a requirement only to the extent necessary to allow orderly implementation;

(B) shall have the force and effect of law; and

(C) shall remain in effect until superseded by final rules issued under paragraph (5).

(3) Rulemaking requirements.—The interim final rules under paragraph (1) may be issued without regard to [section 553 of title 5](#), United States Code.

(4) Public comment.—The Secretary shall provide a public comment period of not less than 60 days after publication of the interim final rules.

(5) Final rules.—Not later than June 30, 2028, the Secretary shall issue final rules to carry out this section.

(6) No delay in statutory guarantee.—A delay in issuance or finalization of rules under this subsection shall not limit, extinguish, or otherwise reduce any entitlement or employment access guarantee established by this section.

(7) Early implementation milestones.—The Secretary shall—

(A) not later than July 1, 2027, begin accepting applications or designations for employment hubs, proposed public value projects, and participating entities;

(B) not later than October 1, 2027, publish an implementation plan for satisfying the employment access guarantee under subsection (c), including plans for fallback placements under subsection (c)(3), staffing, payroll administration, benefits administration, data systems, regional capacity, and project approval; and

(C) not later than January 1, 2028, ensure that the employment access guarantee under subsection (c)(2) is fully operational.

(8) Continuing authority.—The Secretary may issue, amend, and repeal such regulations, rules, guidance, forms, and standards as are necessary to carry out this section, including after issuance of final rules under paragraph (5).

(I) Oversight, transparency, and enforcement.—

(1) Public reporting.—The Secretary shall make publicly available, on a regular basis, information regarding employment placements under this section, including the number of participants, general categories of projects, geographic distribution of placements, use of fallback placements, and aggregate outcomes.

(2) Audits and reviews.—Activities carried out under this section shall be subject to audit and review by the Inspector General of the Department of Labor.

(3) Comptroller General review.—Not later than January 1, 2029, and every 3 years thereafter, the Comptroller General of the United States shall submit to Congress a report evaluating implementation of this section, including—

(A) whether eligible individuals are receiving employment placements within the period required under subsection (c);

(B) whether employment placements are providing public value;

(C) whether employment hubs and participating entities are complying with this section;

(D) whether employment under this section is displacing existing workers or undercutting existing labor standards;

(E) whether transitional employment placements are leading to unsubsidized employment;

(F) whether funds are being used efficiently and consistently with the purposes of this section; and

(G) recommendations for improving administration, accountability, project quality, worker protections, and access to employment placements.

(4) Complaints and whistleblower protections.—The Secretary shall establish procedures for receiving complaints from individuals employed under this section, project sponsors, participating entities, labor organizations, and members of the public and shall ensure appropriate protections against retaliation.

(5) Corrective action.—The Secretary may require corrective action, repayment of funds, suspension or termination of a project sponsor or participating entity, suspension or termination of a public value project, civil penalties, or other remedies as necessary to address violations of this section.

(6) Participant continuity.—The Secretary shall ensure that corrective action under this subsection does not interrupt the employment access guarantee under subsection (c) for an eligible individual who is not responsible for the violation.

(7) Judicial review.—Final agency actions under this section shall be subject to judicial review under [chapter 7 of title 5](#), United States Code.

SEC. 813. UPDATING THE RESOURCE LIMIT FOR SUPPLEMENTAL SECURITY INCOME.

(a) Update in resource limit for individuals and couples.—Section 1611(a)(3) of the Social Security Act ([42 U.S.C. 1382\(a\)\(3\)](#)) is amended to read as follows—

"(3) (A) The dollar amount referred to in clause (i) of paragraph (1)(B), and in paragraph (2)(B), shall be twice the basic wage calculated in section 1398c.

"(B) The dollar amount referred to in clause (ii) of paragraph (1)(B) shall be the basic wage calculated in section 1398c."

(b) Effective date and special rule for 2026.—

(1) Effective date.—The amendments made by this section shall take effect on the date of enactment of this Act and shall apply as if enacted on January 1, 2026.

(2) Special rule for 2026.—For purposes of applying section 1611(a)(3) of the Social Security Act ([42 U.S.C. 1382\(a\)\(3\)](#)), as amended by this section, for any month beginning after December 31, 2025, and before January 1, 2027, section 1398c(a) of title 42, United States Code, as added by section 811 of this Act, shall be applied by substituting "2026" for "2027".

SEC. 814. PAID FAMILY LEAVE.

(a) Findings and purpose.—

(1) Findings.—Congress finds the following:

(A) The United States is one of only a handful of nations that does not protect new mothers by providing paid maternal leave, which is a demonstrated way to reduce the infant mortality rate. Our rate in 2021 was 5.4 deaths per 1,000 live births, or more than 60 percent higher than the European Union average.

(B) If America's infant mortality rate could be brought down to the average of the European Union, the lives of an estimated 7,700 newborns would be saved annually, or 21 babies every day of every week of every month of every year.

(C) Paid family leave will better enable both men and women to take care of family members in need, strengthening families and reducing the public costs of care.

(2) Purpose.—It is the purpose of this section to improve the health, happiness, and prosperity of working people by empowering them to take time away from employment to provide care for a family member.

(b) Definitions.—In this section:

(1) Caregiving day.—The term "caregiving day" means, with respect to an individual, a calendar day in which the individual engaged in qualified caregiving.

(2) Commissioner.—The term "Commissioner" means the Commissioner of Social Security.

(3) Covered active duty.—The term "covered active duty" has the meaning given such term in section 101(14) of the Family and Medical Leave Act of 1993 ([29 U.S.C. 2611\(14\)](#)).

(4) Deputy Commissioner.—The term "Deputy Commissioner" means the Deputy Commissioner who heads the Office of Paid Family and Medical Leave established under subsection (c).

(5) Eligible individual.—The term "eligible individual" means an individual who is entitled to a benefit under subsection (d) for a particular month, upon filing an application for such benefit for such month.

(6) Initial waiting period.—The term "initial waiting period" means a period beginning with the first caregiving day of an individual occurring during the individual's benefit period and ending after the earlier of—

(A) the fifth caregiving day of the individual occurring during the benefit period; or

(B) the month preceding the first month in the benefit period during which occurs not less than 15 caregiving days of the individual.

(7) National average wage index.—The term "national average wage index" has the meaning given such term in section 209(k)(1) of the Social Security Act ([42 U.S.C. 409\(k\)\(1\)](#)).

(8) Qualified caregiving.—The term "qualified caregiving" means any activity engaged in by an individual, other than regular employment, for any of the following reasons:

(A) The birth of a child of the individual and care for such child during the 12-month period beginning on the date of such birth.

(B) The placement of a child with the individual for adoption or foster care and care for such child during the 12-month period beginning on the date of such placement.

(C) The care of a qualified family member of the individual who has a serious health condition.

(D) A serious health condition that makes the individual unable to perform the functions of the position of such individual.

(E) A qualifying exigency arising out of the fact that a qualified family member of the individual is on covered active duty, or has been notified of an impending call or order to covered active duty, in the Armed Forces.

(9) Qualified family member.—The term "qualified family member" means, with respect to an individual, any other individual related by blood or affinity whose close association with the individual is the equivalent of a family relationship, including—

(A) a spouse or domestic partner of such individual or an individual described in subparagraph (B); and

(B) a child, parent, sibling, grandparent, or grandchild, including such a relationship by blood, adoption, foster care, step relationship, legal wardship, domestic partnership, marriage, or an in loco parentis relationship.

(10) Self-employment income.—The term "self-employment income" has the same meaning as such term in section 211(b) of the Social Security Act ([42 U.S.C. 411\(b\)](#)).

(11) Serious health condition.—The term "serious health condition" has the meaning given such term in section 101(11) of the Family and Medical Leave Act of 1993 ([29 U.S.C. 2611\(11\)](#)).

(12) State.—The term "State" means any State of the United States or the District of Columbia or any territory or possession of the United States.

(13) Wages.—The term "wages", except as such term is used in subsection (d)(8)(B), has the same meaning as such term in section 209 of the Social Security Act ([42 U.S.C. 409](#)).

(14) 90-day limitation period.—The term "90-day limitation period" means a period—

(A) beginning with the first caregiving day of an individual occurring during the individual's benefit period and after the expiration of the individual's initial waiting period, if applicable; and

(B) ending with the 90th caregiving day of the individual occurring during the benefit period and after the expiration of the initial waiting period, disregarding any caregiving day of the individual occurring during any month in the benefit period after the first 20 caregiving days of the individual occurring during such month.

(c) Office of Paid Family and Medical Leave.—

(1) Establishment of Office.—There is established within the Social Security Administration an office to be known as the Office of Paid Family and Medical Leave. The Office shall be headed by a Deputy Commissioner who shall be appointed by the Commissioner.

(2) Responsibilities of Deputy Commissioner.—The Commissioner, acting through the Deputy Commissioner, shall be responsible for—

(A) hiring personnel and making employment decisions with regard to such personnel;

(B) issuing such regulations as may be necessary to carry out the purposes of this section;

(C) entering into cooperative agreements with other agencies and departments to ensure the efficiency of the administration of the program;

(D) determining eligibility for family and medical leave insurance benefits under subsection (d);

(E) determining benefit amounts for each month of such eligibility and making timely payments of such benefits to entitled individuals in accordance with such subsection;

(F) establishing and maintaining a system of records relating to the administration of such subsection;

(G) preventing fraud and abuse relating to such benefits;

(H) providing information on request regarding eligibility requirements, the claims process, benefit amounts, maximum benefits payable, notice requirements, prohibitions on discrimination, confidentiality, coordination of leave under this section and other laws, collective bargaining agreements, and employer policies;

(I) annually providing employers a notice informing employees of the availability of such benefits;

(J) annually making available to the public a report that includes the number of individuals who received such benefits, the purposes for which such benefits were received, and an analysis of utilization rates of such benefits by gender, race, ethnicity, and income levels; and

(K) tailoring culturally and linguistically competent education and outreach toward increasing utilization rates of benefits under this section.

(3) Availability of data.—The Commissioner shall make available to the Deputy Commissioner such data as the Commissioner determines necessary to enable the Deputy Commissioner to effectively carry out the responsibilities described in paragraph (2).

(d) Family and medical leave insurance benefit payments.—

(1) In general.—Every individual who—

(A) is insured for disability insurance benefits as determined under section 223(c) of the Social Security Act ([42 U.S.C. 423\(c\)](#)) at the time such individual's application is filed;

(B) has earned income from employment during the 12 months prior to the month in which the application is filed;

(C) has filed an application for a family and medical leave insurance benefit in accordance with paragraph (4); and

(D) was engaged in qualified caregiving, or anticipates being so engaged, during the period that begins 90 days before the date on which such application is filed or within 30 days after such date,

shall be entitled to such a benefit for each month in the benefit period specified in paragraph (3), not to exceed 90 caregiving days per benefit period.

(2) Benefit amount.—

(A) In general.—Except as otherwise provided in this paragraph, the benefit amount to which an individual is entitled under this subsection for a month shall be an amount equal to the greater of—

(i) the lesser of $\frac{1}{18}$ of the wages and self-employment income of the individual for the calendar year in which such wages and self-employment income are the highest among the most recent 3 calendar years, or the maximum benefit amount determined under subparagraph (B); or

(ii) the minimum benefit amount determined under subparagraph (B),

multiplied by the quotient, not greater than 1, obtained by dividing the number of caregiving days of the individual in such month by 20.

(B) Annual increase of maximum and minimum benefit amounts.—

(i) For individuals who initially become eligible for family and medical leave insurance benefits in 2028, the maximum monthly benefit amount and the minimum monthly benefit amount shall be \$3,600 and \$600, respectively.

(ii) For individuals who initially become eligible for family and medical leave insurance benefits after 2028, the maximum benefit amount and the minimum benefit amount shall be, respectively, the product of the amounts in clause (i) and the quotient obtained by dividing—

(I) the national average wage index for the second calendar year preceding the calendar year for which the determination is made; by

(II) the national average wage index for 2026.

(C) Limitations on benefits paid.—

(i) Nonpayable waiting period.—Any calendar day during an individual's benefit period which occurs before the expiration of an initial waiting period shall not be taken into account under this paragraph as a caregiving day of the individual.

(ii) Limitation on total benefits paid.—Any calendar day during an individual's benefit period which occurs after the expiration of a 90-day limitation period shall not be taken into account under this paragraph as a caregiving day of the individual.

(D) Reduction in benefit amount on account of receipt of certain benefits.—A benefit under this subsection for a month shall be reduced by the amount, if any, of certain benefits, as determined under regulations issued by the Commissioner, as may be otherwise received by an individual. For purposes of the preceding sentence, certain benefits include—

(i) periodic benefits on account of such individual's total or partial disability under a workmen's compensation law or plan of the United States or a State; and

(ii) periodic benefits on account of an individual's employment status under an unemployment law or plan of the United States or a State.

(E) Coordination of benefit amount with certain State benefits.—A benefit received under this subsection shall be coordinated, in a manner determined by regulations issued by the Commissioner, with the periodic benefits received from temporary disability insurance or family leave insurance programs under any law or plan of a State, a political

subdivision, as that term is used in section 218(b)(2) of the Social Security Act ([42 U.S.C. 418\(b\)\(2\)](#)), or an instrumentality of 2 or more States, as that term is used in section 218(g) of the Social Security Act ([42 U.S.C. 418\(g\)](#)).

(3) Benefit period.—

(A) In general.—Except as provided in subparagraph (B), the benefit period specified in this paragraph shall begin on the 1st day of the 1st month in which the individual meets the criteria specified in subparagraphs (A), (B), and (C) of paragraph (1), and shall end on the date that is 365 days after the 1st day of the benefit period.

(B) Retroactive benefits.—In the case of an application for benefits under this subsection for qualified caregiving in which the individual was engaged at any time during the 90-day period preceding the date on which such application is submitted, the benefit period specified in this paragraph shall begin on the later of—

(i) the 1st day of the 1st month in which the individual engaged in such qualified caregiving; or

(ii) the 1st day of the 1st month that begins during such 90-day period,

and shall end on the date that is 365 days after the 1st day of the benefit period.

(4) Application.—An application for a family and medical leave insurance benefit shall include—

(A) a statement that the individual was engaged in qualified caregiving, or anticipates being so engaged, during the period that begins 90 days before the date on which the application is submitted or within 30 days after such date;

(B) if the qualified caregiving described in the statement in subparagraph (A) is engaged in by the individual because of a serious health condition of the individual or a qualified family member of the individual, a certification, issued by the health care provider treating such serious health condition, that affirms the information specified in subparagraph (A) and contains such information as the Commissioner shall specify in regulations, which shall be no more than the information that is required to be stated under section 103(b) of the Family and Medical Leave Act of 1993 ([29 U.S.C. 2613\(b\)](#));

(C) if such qualified caregiving is engaged in by the individual for any other authorized reason, a certification, issued by a relevant authority determined under regulations issued by the Commissioner, that affirms the circumstances giving rise to such reason; and

(D) an attestation from the applicant that the applicant's employer has been provided with written notice of the individual's intention to take family or medical leave, if the individual has an employer, or to the Commissioner in all other cases.

(5) Ineligibility; disqualification.—

(A) Ineligibility for benefit.—An individual shall be ineligible for a benefit under this subsection for any month for which the individual is entitled to—

(i) disability insurance benefits under section 223 of the Social Security Act ([42 U.S.C. 423](#)) or a similar permanent disability program under any law or plan of a State or political subdivision or instrumentality of a State, as such terms are used in section 218 of the Social Security Act ([42 U.S.C. 418](#));

(ii) monthly insurance benefits under section 202 of the Social Security Act ([42 U.S.C. 402](#)) based on such individual's disability as defined in section 223(d) of such Act ([42 U.S.C. 423\(d\)](#)); or

(iii) benefits under title XVI of such Act ([42 U.S.C. 1381 et seq.](#)) based on such individual's status as a disabled individual, as determined under section 1614 of such Act ([42 U.S.C. 1382c](#)).

(B) Disqualification.—An individual who has been convicted of a violation under section 208 of the Social Security Act ([42 U.S.C. 408](#)) or with respect to whom the Commissioner has made a final determination, subject to review under paragraph (6), to have used false statements to secure benefits under this subsection shall be ineligible for benefits under this subsection for a 1-year period following the date of the conviction or final determination, as applicable.

(6) Review of eligibility and benefit payment determinations.—

(A) Eligibility determinations.—

(i) In general.—The Commissioner shall provide notice to an individual applying for benefits under this subsection of the initial determination of eligibility for such benefits, and the estimated benefit amount for a month in which 1 caregiving day of the individual occurs, as soon as practicable after the application is received.

(ii) Review.—An individual may request review of an initial adverse determination with respect to such application at any time before the end of the 20-day period that begins on the date notice of such determination is received, except that such 20-day period may be extended for good cause. As soon as practicable after the individual requests review of the determination, the Commissioner shall provide notice to the individual of a final determination of eligibility for benefits under this subsection.

(B) Benefit payment determinations.—

(i) In general.—The Commissioner shall make any monthly benefit payment to an individual claiming benefits for a month under this subsection, or provide notice of the reason such payment will not be made if the Commissioner determines that the individual is not entitled to payment for such month, not later than 20 days after the individual's monthly benefit claim report for such month is received. Such monthly report shall be filed with the Commissioner not later than 15 days after the end of each month.

(ii) Review.—If the Commissioner determines that payment will not be made to an individual for a month, or if the Commissioner determines that payment shall be made based on a number of caregiving days in the month inconsistent with the number of caregiving days in the monthly benefit claim report of the individual for such month, the individual may request review of such determination at any time before the end of the 20-day period that begins on the date notice of such determination is received, except

that such 20-day period may be extended for good cause. Not later than 20 days after the individual requests review of the determination, the Commissioner shall provide notice to the individual of a final determination of payment for such month, and shall make payment to the individual of any additional amount not included in the initial payment to the individual for such month to which the Commissioner determines the individual is entitled.

(C) Burden of proof.—An application for benefits under this subsection and a monthly benefit claim report of an individual shall each be presumed to be true and accurate, unless the Commissioner demonstrates by a preponderance of the evidence that the application or monthly benefit claim report, as applicable, contains false information.

(D) Monthly benefit claim report.—For purposes of this subparagraph, the term "monthly benefit claim report" means, with respect to an individual for a month, the individual's report to the Commissioner of the number of caregiving days of the individual in such month, which shall be filed not later than 15 days after the end of each month.

(E) Review.—All final determinations of the Commissioner under this paragraph shall be reviewable according to the procedures set out in section 205 of the Social Security Act ([42 U.S.C. 405](#)).

(7) Relationship with State law; employer benefits.—

(A) In general.—This subsection does not preempt or supersede any provision of State or local law that authorizes a State or local municipality to provide paid family and medical leave benefits similar to the benefits provided under this subsection.

(B) Greater benefits allowed.—Nothing in this section shall be construed to diminish the obligation of an employer to comply with any contract, collective bargaining agreement, or any employment benefit program or plan that provides greater paid leave or other leave options to employees than the benefits established under this section.

(8) Prohibited acts; enforcement.—

(A) Employment and benefits protection.—

(i) Interference with protections.—It shall be unlawful for any person to interfere with, restrain, or deny the exercise of, or the attempt to exercise, any protection, benefit, or option provided under this section, including by using the application for, receipt of, or exercise of protections relating to family and medical leave insurance benefits as a negative factor in an employment action.

(ii) Retaliation.—It shall be unlawful for any person to discharge, discipline, threaten, discriminate against, or otherwise take adverse action against an individual because the individual—

(I) applied for, indicated an intent to apply for, or received family and medical leave insurance benefits;

(II) opposed any practice made unlawful by this paragraph;

(III) filed any charge, or instituted or caused to be instituted any proceeding, under or related to this paragraph;

(IV) gave, or is about to give, any information in connection with any inquiry or proceeding relating to any protection, benefit, or option provided under this section; or

(V) testified, or is about to testify, in any inquiry or proceeding relating to any protection, benefit, or option provided under this section.

(iii) Restoration to position.—It shall be unlawful for an employer of an individual, upon the conclusion of any leave for which the individual received a family and medical leave insurance benefit under this section, to fail to—

(I) restore the individual to the position of employment held by the individual when the leave commenced; or

(II) restore the individual to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(iv) Maintenance of health benefits.—It shall be unlawful for an employer of an individual to fail to maintain, for the duration of any leave for which the individual received a family and medical leave insurance benefit under this section, coverage of the individual under any group health plan, as defined in section 5000(b)(1) of the Internal Revenue Code of 1986, at the level and under the conditions coverage would have been provided if the individual had continued in employment continuously for the duration of such leave.

(v) Rebuttable presumption of retaliation.—Any adverse action taken against an employee within 12 months after the employee takes any leave for which the employee received a family and medical leave insurance benefit under this section shall establish a rebuttable presumption that the action was taken in retaliation in violation of clause (ii).

(vi) Nonapplication for new hires.—Clause (iii) shall not apply to any individual during the 90-day period beginning on the day the individual begins work for an employer.

(B) Civil action by an individual.—

(i) Liability.—Any person who violates subparagraph (A) shall be liable to any individual employed by such person who is affected by the violation—

(I) for damages equal to the sum of—

(aa) the amount of—

(AA) any wages, salary, employment benefits, or other compensation denied or lost to such individual by reason of the violation; or

(BB) in a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the individual, any actual

monetary losses sustained by the individual as a direct result of the violation, such as the cost of providing care, up to a sum equal to 60 calendar days of wages or salary for the individual;

(bb) the interest on the amount described in item (aa) calculated at the prevailing rate; and

(cc) an additional amount as liquidated damages equal to the sum of the amount described in item (aa) and the interest described in item (bb), except that if a person who has violated subparagraph (A) proves to the satisfaction of the court that the act or omission which violated subparagraph (A) was in good faith and that the person had reasonable grounds for believing that the act or omission was not a violation of subparagraph (A), such court may, in the discretion of the court, reduce the amount of the liability to the amount and interest determined under items (aa) and (bb), respectively; and

(II) for such equitable relief as may be appropriate, including employment, reinstatement, and promotion.

(ii) Cause of action.—An action to recover the damages or equitable relief prescribed in clause (i) may be maintained against any person in any Federal or State court of competent jurisdiction by any individual for and on behalf of—

(I) the individual; or

(II) the individual and other individuals similarly situated.

(iii) Fees and costs.—The court in such an action shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

(iv) Limitations.—The authority provided by clause (ii) to bring an action by or on behalf of any individual shall terminate—

(I) on the filing of a complaint by the Commissioner in an action under subparagraph (C)(v) in which restraint is sought of any further delay in the payment of the amount described in clause (i)(I)(aa) to such individual by the person responsible under clause (i) for the payment; or

(II) on the filing of a complaint by the Commissioner in an action under subparagraph (C)(i) in which a recovery is sought of the damages described in clause (i)(I)(aa) owing to an individual by a person liable under clause (i), unless the action described in subclause (I) or (II) is dismissed without prejudice on motion of the Commissioner.

(C) Action by the Commissioner.—

(i) Civil action.—The Commissioner may bring an action in any court of competent jurisdiction to recover the damages described in subparagraph (B)(i)(I)(aa).

(ii) Sums recovered.—Any sums recovered by the Commissioner pursuant to clause (i) shall be held in a special deposit account and shall be paid, on order of the Commissioner, directly to each individual affected. Any such sums not paid to an individual because of inability to do so within a period of 3 years shall be deposited into the Federal Family and Medical Leave Insurance Trust Fund.

(iii) Limitation.—An action may be brought under this paragraph not later than 3 years after the date of the last event constituting the alleged violation for which the action is brought.

(iv) Commencement.—An action brought by the Commissioner under this paragraph shall be considered to be commenced on the date when the complaint is filed.

(v) Action for injunction by Commissioner.—The district courts of the United States shall have jurisdiction, for cause shown, in an action brought by the Commissioner—

(I) to restrain violations of subparagraph (A), including the restraint of any withholding of payment of wages, salary, employment benefits, or other compensation, plus interest, found by the court to be due to an individual; or

(II) to award such other equitable relief as may be appropriate, including employment, reinstatement, and promotion.

(9) Special rule for railroad employees.—For purposes of paragraph (1)(A), an individual shall be deemed to be insured for disability insurance benefits if the individual would be so insured if the individual's service as an employee, as defined in section 1(b) of the Railroad Retirement Act of 1974, after December 31, 1936, were included within the meaning of the term "employment" for purposes of title II of the Social Security Act ([42 U.S.C. 401 et seq.](#)).

(10) Applicability of certain Social Security Act provisions.—The provisions of sections 204, 205, 206, and 208 of the Social Security Act shall apply to benefit payments authorized by and paid out pursuant to this subsection in the same way that such provisions apply to benefit payments authorized by and paid out pursuant to title II of such Act.

(11) Effective date for applications.—Applications described in this subsection may be filed beginning January 1, 2028, provided that no benefits may be paid for qualified caregiving prior to such date.

(e) Insurance Trust Fund established.—

(1) In general.—There is hereby created on the books of the Treasury of the United States a trust fund to be known as the "Federal Family and Medical Leave Insurance Trust Fund". The Federal Family and Medical Leave Insurance Trust Fund shall consist of such gifts and bequests as may be made as provided in section 201(i)(1) of the Social Security Act ([42 U.S.C. 401\(i\)\(1\)](#)) and such amounts as may be appropriated to, or deposited in, the Federal Family and Medical Leave Insurance Trust Fund as provided in this subsection.

(2) Authorization of appropriations.—

(A) In general.—There is authorized to be appropriated to the Federal Family and Medical Leave Insurance Trust Fund out of moneys in the Treasury not otherwise appropriated—

(i) until September 30, 2028, such sums as may be necessary for the Commissioner to administer the office established under subsection (c), pay the benefits under subsection (d), and make grants under subsection (f);

(ii) 100 percent of the taxes imposed by sections 3101(c) and 3111(c) of the Internal Revenue Code of 1986 with respect to wages, as defined in section 3121 of such Code, reported to the Secretary of the Treasury pursuant to subtitle F of such Code, as determined by the Secretary of the Treasury by applying the applicable rate of tax under such sections to such wages;

(iii) 100 percent of the taxes imposed by section 1401(c) of such Code with respect to self-employment income, as defined in section 1402 of such Code, reported to the Secretary of the Treasury on tax returns under subtitle F of such Code, as determined by the Secretary of the Treasury by applying the applicable rate of tax under such section to such self-employment income; and

(iv) 100 percent of the taxes imposed by sections 3201(c), 3211(c), and 3221(c) of such Code with respect to compensation, as defined in section 3231 of such Code, reported to the Secretary of the Treasury on tax returns under subtitle F of such Code, as determined by the Secretary of the Treasury by applying the applicable rate of tax under such sections to such compensation.

(B) Repayment of initial appropriation.—Amounts appropriated pursuant to subparagraph (A)(i) shall be repaid to the Treasury of the United States not later than 10 years after the first appropriation is made pursuant to such subparagraph.

(C) Transfer to Trust Fund.—The amounts described in subparagraphs (A)(ii), (A)(iii), and (A)(iv) shall be transferred from time to time from the general fund in the Treasury to the Federal Family and Medical Leave Insurance Trust Fund, such amounts to be determined on the basis of estimates by the Secretary of the Treasury of the taxes specified in such subparagraph paid to or deposited into the Treasury. Proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were inconsistent with the taxes specified in such subparagraph.

(3) Management of Trust Fund.—The Secretary of the Treasury shall manage and invest amounts in the Federal Family and Medical Leave Insurance Trust Fund in accordance with section 9702 of title 31, United States Code. For purposes of that section, the Commissioner shall be the responsible official with respect to the Trust Fund.

(4) Benefits and Legacy State grants paid from Trust Fund.—Benefit payments required to be made under subsection (d) and grants required to be made under subsection (f) shall be made only from the Federal Family and Medical Leave Insurance Trust Fund.

(5) Administration.—There are authorized to be made available for expenditure, out of the Federal Family and Medical Leave Insurance Trust Fund, such sums as may be necessary to

pay the costs of the administration of subsection (c), including startup costs, technical assistance, outreach, education, evaluation, and reporting.

(6) Prohibition.—No funds from the Social Security Trust Fund or appropriated to the Social Security Administration to administer Social Security programs may be used for Federal Family and Medical Leave Insurance benefits or administration set forth under this section.

(f) Funding for State administration option for legacy States.—

(1) Payments to legacy States.—In each calendar year beginning with calendar year 2029, the Commissioner shall make a grant from the Federal Family and Medical Leave Insurance Trust Fund to each State that, for the calendar year preceding such calendar year, was a legacy State and that met the data sharing requirements of paragraph (5), in an amount equal to the lesser of—

(A) an amount, as estimated by the Commissioner, equal to the total amount of family and medical leave insurance benefits that would have been paid under subsection (d) (including the costs to the Commissioner to administer such benefits, not to exceed (for purposes of estimating such total amount under this subparagraph) 7 percent of the total amount of such benefits paid) to individuals who received paid family and medical leave benefits under a State law described in paragraph (2) during the calendar year preceding such calendar year if the State had not been a legacy State for such preceding calendar year; or

(B) an amount equal to the total cost of paid family and medical leave benefits under a State law described in paragraph (2) for the calendar year preceding such calendar year, including—

(i) any paid family and medical leave benefits provided by an employer (whether directly, under a contract with an insurer, or provided through a multiemployer plan) as described in paragraph (4); and

(ii) the full cost to the State of administering such law (except that such cost may not exceed 7 percent of the total amount of paid family and medical leave benefits paid under such State law).

(2) Legacy State.—For purposes of this subsection, the term "legacy State" for a calendar year means a State with respect to which the Commissioner determines that—

(A) the State has in effect, not later than January 1, 2028, a State law that provides paid family and medical leave benefits; and

(B) a State law of the State provides for a State program to remain in effect throughout such calendar year that provides paid family and medical leave benefits (which may be paid directly by the State or, if permitted under such State law, by an employer pursuant to such State law)—

(i) for not less than 90 caregiving days during each 12-month period to at least all of those individuals in the State who would be eligible for family and medical leave insurance benefits under subsection (d), except that the State shall provide such

benefits for leave from employment by the State or any political subdivision thereof, and may elect to provide such benefits for leave from any other governmental employment;

(ii) for qualified caregiving reasons that are at least as broad as the reasons described in subsection (b)(8); and

(iii) in an amount that is not less than the amount that would be payable under subsection (d) for the same qualified caregiving.

(3) Covered employment under the law of a legacy State.—For purposes of this section, the term "covered employment under the law of a legacy State" means employment (or self-employment) with respect to which an individual would be eligible to receive paid family and medical leave benefits under the State law of a State, as described in paragraph (2), during any period during which such State is a legacy State.

(4) Employer-provided benefits in a legacy State.—

(A) Treatment for purposes of this section.—In the case of a State that permits paid family and medical leave benefits to be provided by an employer (whether directly, under a contract with an insurer, or provided through a multiemployer plan) pursuant to a State law described in paragraph (2)—

(i) such benefits shall be considered, for all purposes under this section, paid family and medical leave benefits under the law of a legacy State; and

(ii) leave for which such benefits are paid shall be considered, for all such purposes, leave from covered employment under the law of a legacy State.

(B) Distribution of grant funds.—In any case in which paid family and medical leave benefits are provided by 1 or more employers (whether directly, under a contract with an insurer, or provided through a multiemployer plan) in a legacy State pursuant to a State law described in paragraph (2), the State, upon receipt of any grant amount under paragraph (1), may distribute an appropriate share of such grant to each such employer.

(5) Data sharing.—As a condition of receiving a grant under paragraph (1) in a calendar year, a State shall enter into an agreement with the Commissioner under which the State shall provide the Commissioner—

(A) with information, to be provided periodically as determined by the Commissioner, concerning individuals who received a paid family and medical leave benefit under a State law described in paragraph (2), including—

(i) each individual's name;

(ii) information to establish the individual's identity;

(iii) dates for which such paid family and medical leave benefits were paid;

(iv) the amount of such paid family and medical leave benefit; and

(v) to the extent available, such other information concerning such individuals as is necessary for the purpose of carrying out this subsection;

(B) not later than July 1 of such calendar year, the amount needed to adjust payments as described in paragraph (6) for the calendar year preceding such calendar year; and

(C) such other information as is needed to determine compliance with grant requirements.

(6) Estimated payments.—In any case in which, during any calendar year beginning with calendar year 2028, the Commissioner has reason to believe that a State will be a legacy State and meet the data sharing requirements of paragraph (5) for such calendar year, the Commissioner may make estimated payments during such calendar year of the grant which would be paid to such State in the succeeding calendar year, to be adjusted as appropriate in the succeeding calendar year.

(g) Internal Revenue Code provisions.—

(1) In general.—

(A) Employee contribution.—Section 3101 of the Internal Revenue Code of 1986 ([26 U.S.C. 3101](#)) is amended—

(i) by redesignating subsection (c) as subsection (d); and

(ii) by inserting after subsection (b) the following:

"(c) Family and medical leave insurance.—

"(1) In general.—In addition to other taxes, there is hereby imposed on the income of every individual a tax equal to the applicable percentage of the wages (as defined in section 3121(a)) received by the individual with respect to employment (as defined in section 3121(b)).

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means 0.3 percent in the case of wages received in any calendar year."

(B) Employer contribution.—Section 3111 of the Internal Revenue Code of 1986 ([26 U.S.C. 3111](#)) is amended—

(i) by redesignating subsection (c) as subsection (d); and

(ii) by inserting after subsection (b) the following:

"(c) Family and medical leave insurance.—

"(1) In general.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in the employer's employ, equal to the applicable percentage of the wages (as defined in section 3121(a)) paid by the employer with respect to employment (as defined in section 3121(b)).

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means 0.3 percent in the case of wages paid in any calendar year."

(C) Self-employment income contribution.—Section 1401 of the Internal Revenue Code of 1986 ([26 U.S.C. 1401](#)) is amended—

(i) by redesignating subsection (c) as subsection (d); and

(ii) by inserting after subsection (b) the following:

"(c) Family and medical leave insurance.—

"(1) In general.—In addition to other taxes, there is hereby imposed for each taxable year, on the self-employment income of every individual, a tax equal to the applicable percentage of the amount of the self-employment income for such taxable year.

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means 0.6 percent in the case of self-employment income in any taxable year."

(2) Railroad Retirement Tax Act.—

(A) Employee contribution.—[Section 3201 of title 26](#), United States Code, is amended—

(i) by redesignating subsection (c) as subsection (d); and

(ii) by inserting after subsection (b) the following:

"(c) Family and medical leave insurance.—

"(1) In general.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the applicable percentage of the compensation received during any calendar year by such employee for services rendered by such employee.

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means 0.3 percent in the case of compensation received in any calendar year."

(B) Employee representative contribution.—[Section 3211 of title 26](#), United States Code, is amended—

(i) by redesignating subsection (c) as subsection (d); and

(ii) by inserting after subsection (b) the following:

"(c) Family and medical leave insurance.—

"(1) In general.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representative for services rendered by such employee representative.

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means 0.3 percent in the case of compensation received in any calendar year."

(C) Employer contribution.—[Section 3221 of title 26](#), United States Code, is amended—

(i) by redesignating subsection (c) as subsection (d); and

(ii) by inserting after subsection (b) the following:

"(c) Family and medical leave insurance.—

"(1) In general.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in the employer's employ, equal to the applicable percentage of the compensation paid during any calendar year by such employer for services rendered to such employer.

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means 0.3 percent in the case of compensation paid in any calendar year."

(h) Conforming amendment.—Section 15(a) of the Railroad Retirement Act of 1974 ([45 U.S.C. 231n\(a\)](#)) is amended by inserting "(other than sections 3201(c), 3211(c), and 3221(c))" before the period at the end.

(i) Solvency and eligibility report.—

(1) In general.—Not later than October 30, 2029, and every 2 years thereafter, the Commissioner, in consultation with the Secretary of the Treasury, shall submit to Congress a report on the solvency and administration of the Federal Family and Medical Leave Insurance Trust Fund.

(2) Contents.—Each report under paragraph (1) shall include—

(A) the total amount of taxes received under sections 3101(c), 3111(c), 1401(c), 3201(c), 3211(c), and 3221(c) of the Internal Revenue Code of 1986;

(B) the total amount of benefits paid under subsection (d);

(C) the total amount of grants paid to legacy States under subsection (f);

(D) administrative costs;

(E) the balance of the Federal Family and Medical Leave Insurance Trust Fund;

(F) projected receipts, outlays, and balances for the following 10 fiscal years;

(G) take-up rates by leave reason, income level, age, sex, State, and employment status, to the extent practicable;

(H) recommendations, if any, for adjustments to contribution rates, benefit amounts, eligibility rules, administrative funding, or coordination with State programs; and

(I) recommendations on whether alternative eligibility standards are necessary to cover workers with substantial recent labor-force attachment who are not insured for disability insurance benefits under section 223(c) of the Social Security Act ([42 U.S.C. 423\(c\)](#)).

(j) Regulations.—The Commissioner, in consultation with the Secretary of Labor, shall prescribe regulations necessary to carry out this section.

(k) Effective date and transition rule.—

(1) Wages and compensation.—The amendments made by subsections (g)(1)(A), (g)(1)(B), (g)(2)(A), (g)(2)(B), (g)(2)(C), and (h) shall apply to wages and compensation paid after April 30, 2027.

(2) Self-employment income.—

(A) In general.—The amendment made by subsection (g)(1)(C) shall apply to self-employment income derived in taxable years beginning after December 31, 2026, but only with respect to self-employment income generated after April 30, 2027.

(B) Safe harbor.—For purposes of subparagraph (A), two-thirds of self-employment income for a taxable year beginning before May 1, 2027, shall be presumed to be self-employment income generated after April 30, 2027. A taxpayer may rebut such presumption through books and records, invoices, receipts, accounting records, or other documentation sufficient to establish the amount of self-employment income generated after April 30, 2027.

Subtitle B—Worker Organization and Collective Bargaining

SEC. 821. NATIONAL LABOR RELATIONS ACT COVERAGE, BOARD ADMINISTRATION, AND REPRESENTATION ELECTIONS.

(a) Updating definitions under the National Labor Relations Act.—

(1) Joint-employer standard.—Section 2(2) of the National Labor Relations Act ([29 U.S.C. 152\(2\)](#)) is amended by adding at the end the following: "Two or more persons shall be employers with respect to an employee if each such person codetermines or shares control over the employee's essential terms and conditions of employment. In determining whether such control exists, the Board or a court of competent jurisdiction shall consider as relevant direct control and indirect control over such terms and conditions, reserved authority to control such terms and conditions, and control over such terms and conditions exercised by a person in fact: Provided, That nothing herein precludes a finding that indirect or reserved control standing alone can be sufficient given specific facts and circumstances.".

(2) Employee status and independent contractors.—Section 2(3) of the National Labor Relations Act ([29 U.S.C. 152\(3\)](#)) is amended by adding at the end the following: "An individual performing any service shall be considered an employee (except as provided in the previous sentence) and not an independent contractor, unless—

"(A) the individual is free from control and direction in connection with the performance of the service, both under the contract for the performance of service and in fact;

"(B) the service is performed outside the usual course of the business of the employer; and

"(C) the individual is customarily engaged in an independently established trade, occupation, profession, or business of the same nature as that involved in the service performed.".

(3) Supervisor exclusion.—Section 2(11) of the National Labor Relations Act ([29 U.S.C. 152\(11\)](#)) is amended—

(A) by inserting "and for a majority of the individual's worktime" after "interest of the employer";