

U.S. Sen. Baldwin: Introduces bill to support economic recovery, finance six months of wages and benefits

Posted on Tuesday, Jun 30, 2020

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

WASHINGTON, D.C. – U.S. Senator Tammy Baldwin (D-WI) today introduced [legislation](#) to support the economic recovery by immediately financing six months of wages and benefits for unemployed workers. Baldwin is leading this effort with Senate Finance Committee Ranking Member Ron Wyden (D-OR) and Senators Chris Van Hollen (D-MD), Michael F. Bennet (D-CO) and Cory A. Booker (D-NJ)

“Millions of Americans are unemployed and struggling to make ends meet, so we need a bold, federal investment in state and local transitional jobs programs to create job opportunities and put people back to work,” **said Senator Baldwin.** “As we support workers and businesses in our recovery from this economic crisis, this legislation is a stronger way forward and we should seize it.”

[In April](#), Senator Baldwin led her colleagues in sending a letter to Senate leadership calling for a national jobs program to provide unemployed and underemployed workers with wage-paying jobs to help workers and businesses recover from the economic devastation caused by COVID-19.

The *Jobs for Economic Recovery Act* would provide immediate funding for states, tribes, and local governments to create or expand employment programs through a new *Social Security Act* jobs program, which would finance six months of wages and benefits for public, private, or nonprofit jobs. Funds could also be used for job training and services like child care to help workers succeed upon completion of their job placement.

The *Jobs for Economic Recovery Act* would fund state programs at a matching rate determined by economic conditions and the state's FMAP rate. When the unemployment rate is above 7%, there will be a dollar-for-dollar federal match.

Providing immediate funding for subsidized employment programs would allow states to target individuals who have become unemployed or underemployed as a result of COVID-19, and create essential jobs to respond to the public health emergency. To protect public health, these funds could not be used to fund a position that puts workers' health at risk. The bill also authorizes grants to nonprofit organizations to support similar programs and provides funding for technical assistance and planning.

By 2022, the bill would require programs to meet new criteria and rely on evidence-based practices to continue receiving funding. Phasing-in these requirements would ensure that states, tribes, and localities have the flexibility to quickly respond to this crisis, while ensuring strong, evidence-based programs over the long-term.

By guaranteeing funding for employment programs remains available into the future, the *Jobs for Economic Recovery Act* will prevent these programs from disappearing like they did after the Great Recession, and allow them to provide critical employment support as the job market improves.

Lastly, the bill creates an employee retention tax credit based on the Work Opportunity Tax Credit (WOTC) for employers who retain workers hired through the program for 24 months.

A section-by-section summary of the bill is available [here](#).

Statements of Support

Julie Kersick, Senior Policy Advocate, Community Advocates Public Policy Institute: "The *Jobs for Economic Recovery Act* is a bold and urgently needed response to our crippled economy. It is foundational because it allows people to get back to work. It addresses the unemployment that has resulted from the economic crisis caused by COVID-19. The bill also addresses long-term structural unemployment in urban and rural areas. It will especially help workers and communities suffering from racial and ethnic discrimination in training and hiring. We call on Senators and House members to pass this essential bill as part of your next steps in moving America's economy forward."

Alexandra Cawthorne Gaines, Vice President of Poverty to Prosperity Program, Center for American Progress: “The *Jobs for Economic Recovery Act* will provide states with critical resources to expand subsidized job programs and provide much-needed work supports like child care and job training at a time when the nation is facing record-level unemployment. We need Congress to pass this bill without delay to help the millions of Americans who are falling behind due to the devastating economic impacts of this pandemic.”

Kali Grant, Senior Policy Analyst, Georgetown Center on Poverty and Inequality: “In the midst of a devastating national crisis that has hit Black, Brown, women, and low-paid workers the hardest, it’s more important than ever for policymakers to invest in proven strategies for reaching workers who are left behind now and when the economy improves. This subsidized employment proposal represents an ambitious plan to reduce persistent racial inequalities; create new employment and training opportunities; and help workers, employers, and communities recover from the crisis and beyond.”

Olivia Golden, Executive Director, the Center for Law and Social Policy (CLASP): “The Coronavirus pandemic has caused an economic crisis that has left millions unemployed and in particular workers who were in low wage jobs before the pandemic. Bold solutions and robust investments are needed to ensure workers can regain employment. CLASP is proud to support the *Jobs for Economic Recovery Act*, which will invest in subsidized jobs, job training and crucial supportive services to help connect unemployed and underemployed individuals to stable employment. We applaud Senators Ron Wyden, Chris Van Hollen, Tammy Baldwin, and Michael Bennet for introducing this important legislation and we urge Congress to prioritize the needs of individuals with historic barriers to employment.”

Melissa Boteach, Vice President for Income Security and Child Care/Early Learning, National Women’s Law Center: “Women have been slammed in this recession, with a decade’s worth of our job gains wiped out in a single month. Subsidized jobs are a proven pathway to help marginalized workers earn income, access training, and connect to employment. The *Jobs for Economic Recovery Act* is an important investment in the families who have been hardest hit before and during this recession, and in the communities where their work will help build toward economic recovery.”

Arnab Datta, Senior Legislative Counsel, Employ America: “The COVID-19 recession is the challenge of our generation. We must pass legislative solutions that

match the depth of the crisis. Building on successful subsidized jobs programs from the Great Recession, the *Jobs for Economic Recovery Act* is an urgent necessity. Even as safety and health restrictions are loosened, it is clear that the job market will be weak well into 2021. Senators Baldwin, Bennet, Van Hollen, and Wyden deserve enormous credit for developing a proposal that puts people back to work, helps marginalized workers develop the skills needed to thrive, and pushes our economy back towards growth. Congress should consider this program as we move forward.”

Melissa Young, Senior Director of Research & Policy, Heartland Alliance:

“Our economy will only fully recover if we put forth solutions like the *Jobs for Economic Recovery Act* that provide real opportunities for people who have been historically left out and left behind to get access to the labor market. To truly heal from historic and current economic inequity, individuals and whole communities need deep investments so that all people can thrive.”

Professor Mark Paul, Assistant Professor of Economics at the New College of Florida: “The nation is currently experiencing the worst labor market in living memory. Tens of millions of workers are currently sidelined due to no fault of their own. The *Jobs for Economic Recovery Act* is vital legislation that will help put Americans back to work as quickly as possible once it’s safe, paving the way for a job-led economic recovery.”

An online version of this release is available [here](#).