

118TH CONGRESS
1ST SESSION

S. 1276

To amend the Internal Revenue Code of 1986 to modify the work opportunity credit for certain youth employees.

IN THE SENATE OF THE UNITED STATES

APRIL 25, 2023

Mr. DURBIN (for himself and Ms. DUCKWORTH) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to modify
the work opportunity credit for certain youth employees.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Helping to Encourage
5 Real Opportunities (HERO) for Youth Act of 2023”.

6 **SEC. 2. MODIFICATION AND EXTENSION OF WORK OPPOR-**
7 **TUNITY CREDIT FOR CERTAIN YOUTH EM-**
8 **PLOYEES.**

9 (a) **EXPANSION OF CREDIT FOR SUMMER YOUTH.—**

(1) CREDIT ALLOWED FOR YEAR-ROUND EMPLOYMENT.—Section 51(d)(7)(A) of the Internal Revenue Code of 1986 is amended—

(A) by striking clauses (i) and (iii) and redesignating clauses (ii) and (iv) as clauses (i) and (ii), respectively;

(B) in clause (i) (as so redesignated), by striking “(or if later, on May 1 of the calendar year involved),”;

(C) by striking the period at the end of clause (ii) (as so redesignated) and inserting “, and”; and

(D) adding at the end the following new clause:

“(iii) who will be employed for not more than 20 hours per week during any period between September 16 and April 30 in which such individual is regularly attending any secondary school.”.

(2) INCREASE IN CREDIT AMOUNT.—Section 51(d)(7) of the Internal Revenue Code of 1986 is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(3) CONFORMING AMENDMENTS.—

1 (A) Subparagraph (F) of section 51(d)(1)
 2 of the Internal Revenue Code of 1986 is
 3 amended by striking “summer”.

4 (B) Paragraph (7) of section 51(d) of such
 5 Code is amended—

6 (i) by striking “summer” each place it
 7 appears in subparagraphs (A);

8 (ii) in subparagraph (B), as redesign-
 9 nated by paragraph (2), by striking “sub-
 10 paragraph (A)(iv)” and inserting “sub-
 11 paragraph (A)(ii)”; and

12 (iii) by striking “SUMMER” in the
 13 heading thereof.

14 (b) CREDIT FOR DISCONNECTED YOUTH.—

15 (1) IN GENERAL.—Paragraph (1) of section
 16 51(d) of the Internal Revenue Code of 1986 is
 17 amended by striking “or” at the end of subpara-
 18 graph (I), by striking the period at the end of sub-
 19 paragraph (J) and inserting “, or”, and by adding
 20 at the end the following new subparagraph:

21 “(K) an disconnected youth.”.

22 (2) DISCONNECTED YOUTH.—Paragraph (14)
 23 of section 51(d) of such Code is amended to read as
 24 follows:

1 “(14) DISCONNECTED YOUTH.—The term ‘dis-
2 connected youth’ means any individual who—

3 “(A)(i) is certified by the designated local
4 agency as having attained age 16 but not age
5 25 on the hiring date, and

6 “(ii) has self-certified (on a form pre-
7 scribed by the Secretary) that such individual—

8 “(I) has not regularly attended any
9 secondary, technical, or post-secondary
10 school during the 6-month period pre-
11 ceding the hiring date,

12 “(II) has not been regularly employed
13 during such 6-month period, and

14 “(III) is not readily employable by
15 reason of lacking a sufficient number of
16 basic skills, or

17 “(B) is certified by the designated local
18 agency as—

19 “(i) having attained age 16 but not
20 age 21 on the hiring date, and

21 “(ii) an eligible foster child (as de-
22 fined in section 152(f)(1)(C)) who was in
23 foster care during the 12-month period
24 ending on the hiring date.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to individuals who begin work for
3 the employer after the date of the enactment of this Act.

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