

The Military Spouse Hiring Act

The bipartisan *Military Spouse Hiring Act*, introduced by Senators Tim Kaine (D-VA), John Boozman (R-AR), Maggie Hassan (D-NH), and Mike Rounds (R-SD), aims to improve employment outcomes for military spouses. By amending the tax code to expand the Work Opportunity Tax Credit (WOTC) to include military spouses, the legislation would incentivize businesses to hire military spouses, who often face disproportionate barriers in the labor market.

Military spouse <u>unemployment</u> rates are consistently higher than the national average, and nearly two thirds of employed military spouses report feeling <u>underemployed</u>. Although 45% of military spouses hold bachelors or advanced degrees, job offers are often elusive and career progression can stall. Frequent location moves and numerous service member deployments exacerbate this trend, as spouses are often left responsible for handling the majority of household responsibilities, frequently in new communities. Relocating across state lines also creates additional burdens for the roughly one in three spouses in a licensed profession. In addition to long wait times for licensing credentials to transfer, and often differing requirements to obtain those credentials, these military spouses often <u>earn significantly less income</u> than their non-military peers.

Military spouse unemployment also contributes to financial stress among military families. As families continue to recover from the economic impacts of the COVID-19 pandemic, finding solutions to military spouse unemployment has never been more pertinent. Hiring military spouses also creates a winwin for both military readiness and local communities. With less than a third of active-duty families feeling a sense of belonging with their civilian communities, creating a path to bring more military spouses into the local labor market can create significant secondary benefits for military families and local communities alike.

The *Military Spouse Hiring Act* would work to address this by expanding the Work Opportunity Tax Credit (WOTC) to include military spouses. WOTC offers a tax credit for employers that hire members of targeted groups, as certified by local employment agencies. Existing law only extends coverage to qualified military veterans, among other targeted groups, not military spouses.

The Military Spouse Hiring Act is endorsed by dozens of military associations and advocacy groups that collectively represent the interests of the nation's roughly one million active duty military spouses: Air & Space Forces Association (AFA), Air Force Sergeants Association (AFSA), Association of Military Surgeons of the United States (AMSUS), Chief Warrant Officers Association of the US Coast Guard (CWOA), Enlisted Association of the National Guard of the United States (EANGUS), Fleet Reserve Association (FRA), Jewish War Veterans (JWV), Marine Corps League (MCL), Military Chaplains Association (MCA), Military Family Advisory Network (MFAN), Military Officers Association of America (MOAA), Military Order of the Purple Heart (MOPH), Military Spouse Advocacy network (MSAN), National Defense Committee (NDC), National Military Family Association (NCOA), Reserve Organization of America (ROA), Service Women's Action Network (SWAN), The American Legion (TAL), The Retired Enlisted Association (TREA), Tragedy Assistance Program for Survivors (TAPS), United States Army Warrant Officers Association (USA WOA), Vietnam Veterans of America (VVA), and the Wounded Warrior Project (WWP).