

Support Military Families: Pass the Military Spouse Hiring Act

THE ISSUE:

Military spouses face a 20% unemployment rate, according to DoD — largely due to frequent relocations. This puts financial pressure on military families and may negatively influence servicemember retention.

THE ACTION:

We urge you to cosponsor the Military Spouse Hiring Act (H.R. 2033/S. 1027) which would add military spouses as a target group to the existing Work Opportunity Tax Credit (WOTC). This would create a strong incentive for employers to hire from this talent pool, improving family financial stability and supporting the readiness of the all-volunteer force.



KEY FACTS:

- **Not a New Problem:** Military spouse unemployment rates have reached or exceeded 20% since 2006. Employers often are reluctant to hire military spouses due to anticipated relocations. Offering a tax credit for hiring military spouses will help offset onboarding costs and reduce hiring risks for employers.
- **Finances in Focus:** Military families increasingly must rely on two incomes. Spouse unemployment strains short-term finances and long-term economic prospects, including future earnings potential and retirement savings.
- **A High Public Cost:** Military spouse un- and underemployment led to between \$710 million and \$1.07 billion in

societal costs, according to a 2016 study. These include lost tax revenue and increased reliance on public support programs.

- **WOTC Works:** The Work Opportunity Tax Credit encourages employers to hire individuals from target groups that face barriers to employment. The addition of a qualified veteran target group under WOTC was a key component of a strategy aimed at addressing a veteran unemployment spike in 2009. The inclusion of this target group continues to prove successful, with nearly 600,000 veteran WOTC hires between 2020 and 2024; the same success could be extended to military spouses.
- **Budget-Friendly Fix:** This approach to addressing military spouse unemployment is fiscally responsible, as there is only a cost if a military spouse is hired.

CONGRESS:

Please cosponsor the Military Spouse Hiring Act (H.R. 2033/S. 1027) to incentivize businesses to hire more military spouses

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READINESS AND RETENTION

Spouse employment challenges are a significant factor in a servicemember's decision to separate from active duty. When servicemembers decide to leave uniform, their training and expertise goes with them, affecting overall force readiness. This legislation will help provide a sound financial footing for military families, allowing the servicemember to remain mission-focused.



PHOTOS: AIRMAN AIDAN MARTINEZ/USAF;
MASTER SGT. JONATHAN ALDERMAN/VANG