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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. ______

To amend the National Labor Relations Act and the Internal Revenue Code of 1986 to limit access of employers to Federal funds and tax credits while engaged in a lock-out of employees.

IN THE HOUSE OF REPRESENTATIVES

Mr. MRVAN introduced the following bill; which was referred to the Committee on ______________________________

A BILL

To amend the National Labor Relations Act and the Internal Revenue Code of 1986 to limit access of employers to Federal funds and tax credits while engaged in a lock-out of employees.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Preventing Revenue Opportunities for Workplace Lockouts and Retaliation Act" or "PRO–WORK Act".

SEC. 2. PROHIBITION ON FEDERAL FUNDS DURING LOCK-OUTS.

The National Labor Relations Act (29 U.S.C. 151 et seq.) is amended by adding at the end the following:

"SEC. 20. PROHIBITION ON FEDERAL FUNDS DURING LOCK-OUTS.

"(a) IN GENERAL.—Beginning on January 1, 2026, and notwithstanding any other provision of law, no Federal funds may be made available to, or obligated or expended by, an employer during—

"(1) any lock-out period; and

"(2)(A) if no preceding lock-out period has occurred with respect to such employer, an additional period that—

"(i) begins on the first day following the lock-out period; and

"(ii) is equal in length to the number of days in such lock-out period; and

"(B) in any other case, the 1-year period beginning on the day following the lock-out period.

"(b) REIMBURSEMENT.—Each employer shall reimburse the Federal government for any funds obligated or expended by the employer in violation of subsection (a) during any part of a lock-out period that occurred during the period beginning on January 1, 2026, and ending on the date of enactment of the Preventing Revenue Opportunities for Workplace Lockouts and Retaliation Act.

"(c) LOCK-OUT PERIOD DEFINED.—For purposes of this section, the term 'lock-out period' means, with respect to an employer, any period of time during which such employer is engaged in a lock-out of employees.".

SEC. 3. DENIAL OF TAX CREDITS FOR CORPORATIONS ENGAGED IN LOCK-OUT OF EMPLOYEES.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subpart:

"Subpart H—Denial of Credits for Corporations Engaged in Lock-out of Employees

"SEC. 54. DENIAL OF CREDITS FOR CORPORATIONS ENGAGED IN LOCK-OUT OF EMPLOYEES.

"(a) IN GENERAL.—In the case of a corporation with respect to which a lock-out period occurs during any taxable year—

"(1) if no preceding lock-out period has occurred with respect to such corporation during such taxable year, no credit shall be allowed under this title with respect to such corporation for such taxable year to the extent of the amount of such credit that is properly allocable to such lock-out period, and

"(2) in any other case, no credit shall be allowed under this title with respect to such corporation for such taxable year.

The preceding sentence shall not apply with respect to any credit directly attributable to a payment of tax by the corporation.

"(b) LOCK-OUT PERIOD.—For purposes of this section, the term 'lock-out period' means, with respect to any corporation for any taxable year, any period of time during which such corporation is engaged in a lock-out of employees (within the meaning of the National Labor Relations Act).

"(c) AGGREGATION RULE.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single corporation.

"(d) REGULATIONS.—The Secretary, in consultation with the Secretary of Labor, shall prescribe such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section.".

(b) CLERICAL AMENDMENT.—The table of subparts for part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"SUBPART H. DENIAL OF CREDITS FOR CORPORATIONS ENGAGED IN LOCK-OUT OF EMPLOYEES.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2025.