

THE STOP BAD EMPLOYERS BY ZEROING OUT SUBSIDIES (BEZOS) ACT

In America today, far too many large, profitable corporations pay their employees poverty wages, causing workers to rely on government assistance programs like Medicaid, food stamps and public housing to make ends meet. All of these programs are paid for by the American taxpayer. In fact, low wages cost taxpayers \$152.8 billion per year, according to a 2015 [study](#) from the University of California, Berkeley Labor Center.

Here are just a few examples:

- Walmart pays its associates wages so low that many of them are forced to rely on food stamps, Medicaid and public housing to survive at a cost to U.S. taxpayers of an estimated [\\$6.2 billion](#) a year.
- Low wages at McDonald's alone cost the federal government and U.S. taxpayers over [\\$1.2 billion](#) a year, while [52 percent](#) of all fast food workers rely upon public assistance programs to survive.
- According to [The New Food Economy](#), 1 out of 3 Amazon workers in Arizona and 2,400 in Pennsylvania and Ohio depend on food stamps to put food on the table.
- According to a recent [survey](#), some 27 percent of workers at American Airlines subsidiary Envoy Air make wages so low that they rely on food stamps and other forms of public assistance to survive.

The fact is if employers in this country simply paid workers a living wage, taxpayers would save about \$150 billion a year on federal assistance programs. Large companies, not taxpayers, should be required to pay for federal public assistance programs that their employees are eligible to receive.

That is why on Wednesday, September 5th, Sen. Sanders will introduce the Stop Bad Employers by Zeroing Out Subsidies (BEZOS) Act. This bill would establish a corporate welfare tax on large employers equal to the amount of federal benefits received by their low-wage workers. For example, if a worker at a large employer receives \$300 in food stamps, the employer would be taxed \$300.

Under this legislation, large employers are defined as employers who have more than 500 employees, including part-time workers, independent contractors and franchise workers. Federal benefits are defined as: the Supplemental Nutrition Assistance Program (SNAP), Medicaid, the school lunch program and Section 8 housing. Additionally, the bill makes it unlawful for a large employer to ask employees whether or not they qualify for federal benefits. Finally, the IRS, in consultation with USDA, HUD and CMS will issue regulations necessary to administer the corporate welfare tax.

The Stop Bezos Act gives large employers a choice: pay workers a living wage or pay for the public assistance programs low-wage workers are forced to rely upon.