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# Congress of the United States

## U.S. House of Representatives

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April 2, 2020

The Honorable Eugene Scalia  
Secretary  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, D.C. 20210

Dear Secretary Scalia:

I write today regarding the skyrocketing number of unemployment claims as a result of the COVID-19 pandemic and states' apparent inability to access funds necessary to combat this crisis. As you know, states are receiving a record number of initial unemployment claims—almost 10 million over the past two weeks.

Last week alone, states received nearly 10 times as many applications for benefits as they had in the highest-ever claims week before the current pandemic. Yet, some states tell us they are still waiting for the Department of Labor (Department) to distribute any of the one billion dollars in additional administrative funding Congress provided in the Families First Coronavirus Response Act. Instead, we are hearing stories of backlogs, long wait times, and crashing web portals all across the country.

Early on, we anticipated a rise in the need for unemployment compensation and provided additional funding for states to hire staff and upgrade systems to provide benefits quickly. We also expected this immediate funding to help states quickly provide federal unemployment compensation authorized in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, in advance of states being reimbursed for administrative costs related to those benefits.

The law providing additional funding was enacted on March 18, 2020. On March 22, the Department issued an advisory (UIPL 13-20) to states with instructions and grant allocations, which were determined using a simple formula in the statute. But, we understand from a number of states that they have not yet received this funding, and are further being advised to wait for additional Department guidance before providing any of the additional unemployment compensation authorized in the CARES Act. My staff has been unable to get a clear answer from the Department about the administrative funding or the timing of providing American workers with the unemployment compensation benefits Congress provided, including a \$600 per week supplemental benefit for all unemployed workers and access to unemployment benefits for self-employed workers, independent contractors, "gig" economy workers, and others currently shut out of receiving benefits.

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I urge the Department to send the additional funding to the states immediately. In addition, please respond by Monday, April 6, 2020, with answers to the following questions:

- (1) When will the first \$500 million in administrative funding be provided to all states?
- (2) Which states have qualified for the additional \$500 million and when will they receive it?
- (3) When will the Department allow states to begin providing enhanced unemployment compensation to workers?

Thank you for your prompt attention to this matter.

Sincerely,



Richard E. Neal  
Chairman  
Committee on Ways & Means  
United States House of Representatives