

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

January 15, 2019

The Honorable R. Alexander Acosta
Secretary of Labor
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Dear Secretary Acosta:

It has now been over three weeks since the Trump shutdown cut off paychecks for hundreds of thousands of hard-working federal employees, leaving them without income to pay their bills.

Federal workers should be getting paid, and we need to fully reopen all agencies in the federal government. But while the President continues to block their paychecks, they should at least be able to get earned unemployment insurance benefits (UI). These benefits are no substitute for paychecks – on average, they replace approximately half of a worker’s prior wages, and workers who eventually receive back pay will be required to pay them back, subject to state law. But they would help federal workers pay their most critical bills, put food on the table, and avoid eviction, just as they do for Americans out of work through no fault of their own.

During the shutdown in 2013, the Department of Labor (DOL) moved quickly to make sure this lifeline was available to workers, issuing guidance to state workforce agencies about helping workers access UI benefits, 10 days after the shutdown cut off their pay. Twenty-four days after the shutdown began, your department has not issued similar guidance to help federal workers navigate this crisis. Indeed, many states are working hard to help these workers, but the lack of guidance and leadership from DOL has impeded their progress.

For example, under federal law, states have the right to waive certain UI eligibility rules when workers are furloughed or expected to return to their jobs without pay. This includes the normal requirements that they be actively searching for new jobs, and that they obtain proof of eligibility directly from agencies seeing as they can’t access their government email or computers to provide it. Despite this, we are hearing reports that some workers have been unable to access benefits, and without guidance, states may not be able to use the flexibility in federal law.

We are also deeply concerned about the growing number of workers that the Administration is forcing to report to work without pay. Many of them earn relatively low wages and live paycheck to paycheck. Instead of helping states ensure that these

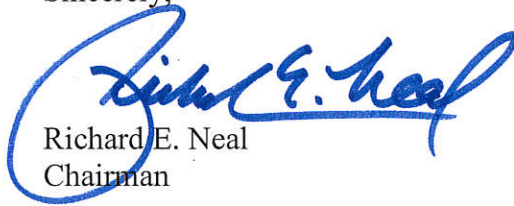
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federal workers can receive UI, this Administration is simply forcing more and more federal workers to return to their work stations without pay or UI benefits.

Finally, we expect that the need for unemployment benefits caused by the shutdown will, in the short run, have a negative impact on unemployment trust fund balances, which are already dangerously low in a number of states. DOL should assist states to recover unemployment benefits in a way that minimizes hassle for returning federal workers and does not incorrectly classify the benefits paid as “improper payments” while making the trust funds whole.

As the Chairman of the Committee on Ways and Means, which oversees the state-federal unemployment insurance system, I am requesting an immediate reply which describes what DOL is doing to ensure that states can provide all unpaid federal workers with access to unemployment benefits to pay urgent bills, and when DOL will issue detailed guidance to states’ workforce agencies, as it has in past shutdowns. I would also like to know what harm the shutdown is doing to state unemployment insurance trust funds in the short run, whether that impact is triggering tax increases for employers to fund the shortfall, and how you plan to work with states to remedy that harm in the longer term.

Sincerely,



Richard E. Neal
Chairman