

United States Senate

WASHINGTON, DC 20510-3203

May 5, 2022

The Hon. Patty Murray, Chair
Labor, HHS, Education, and
Related Agencies Subcommittee
Senate Committee on Appropriations
Hart Senate Office Building
Washington, DC 20510

The Hon. Roy Blunt, Ranking Member
Labor, HHS, Education, and
Related Agencies Subcommittee
Senate Committee on Appropriations
Hart Senate Office Building
Washington, DC 20510

Dear Chair Murray and Ranking Member Blunt:

As you consider priorities for the Fiscal Year 2023 (FY2023) Appropriations bill, we urge you to fully fund Unemployment Insurance (UI) administration at the levels President Biden proposed in his FY2023 budget. Without robust administrative funding, state workforce agencies will struggle to provide UI benefits efficiently to jobless workers and to protect the integrity of the program.

When the COVID-19 pandemic hit in March 2020, state workforce agencies were completely overwhelmed with an unprecedented number of UI claims. Millions of workers were forced to wait months for their benefits and couldn't even reach someone from their state agency on the phone to help. Part of the reason states were so unprepared to deal with this surge of claims was decades of underinvestment in UI administration. Because Congress has consistently failed to appropriate sufficient administrative funding for the program, the Department of Labor (DOL) is forced to allocate funding to states using outdated cost assumptions that don't reflect the actual cost of administering UI, leaving state workforce agencies operating on shoestring budgets.

As a result, state workforce agencies are understaffed and reliant on outdated technology and processes, which in turn leaves jobless workers waiting longer for benefits and struggling to obtain assistance from the state agency when they need it. Inadequate administrative funding also leaves the UI program vulnerable to fraud, which surged during the pandemic when organized criminal networks started targeting state UI systems and stealing billions of dollars.

While additional administrative funding for the UI program was provided in the Families First Coronavirus Response Act (FFCRA), the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the American Rescue Plan Act (ARPA), states largely used this funding to address short-term needs associated with the pandemic. Without strong annual funding for administration, state workforce agencies will be unable to make necessary long-term improvements to their administrative processes and ensure the system is prepared for the next crisis. We can't expect the UI system to scale up overnight and function well in an economic downturn if we don't provide strong, consistent funding—including during economic expansions.

We request that you appropriate at least \$3,184,635,000 for grants to states for the administration of state UI laws and at least \$168,174,000 for national activities necessary to support UI administration in FY2023.¹ The increased funding for grants to states would allow DOL to update its outdated funding assumptions and provide states with sufficient funds to ensure the UI program can serve jobless workers as intended. Funding for national activities will support crucial administrative functions shared across all states. If we continue to neglect UI administration, workers who have lost their jobs through no fault of their own will continue to pay the price.

Sincerely,



Ron Wyden
Chairman
Senate Committee on Finance



Michael F. Bennet
United States Senator

[/s/ Jack Reed](#)

Jack Reed
United States Senator

[/s/ Thomas R. Carper](#)

Thomas R. Carper
United States Senator

[/s/ Edward J. Markey](#)

Edward J. Markey
United States Senator

[/s/ Alex Padilla](#)

Alex Padilla
United States Senator

[/s/ Richard J. Durbin](#)

Richard J. Durbin
United States Senator

[/s/ Catherine Cortez Masto](#)

Catherine Cortez Masto
United States Senator

[/s/ Brian Schatz](#)

Brian Schatz
United States Senator

[/s/ Elizabeth Warren](#)

Elizabeth Warren
United States Senator

¹ For additional detail, please see pp. 765-766 of the [Budget Appendix for the President's Fiscal Year 2023 Budget](#), as well as the Employment and Training Administration's [Congressional Budget Justification for State Unemployment Insurance and Employment Service Operations](#).

[/s/ Robert P. Casey, Jr.](#)

Robert P. Casey, Jr.
United States Senator

[/s/ Jacky Rosen](#)

Jacky Rosen
United States Senator

[/s/ Bernard Sanders](#)

Bernard Sanders
United States Senator

[/s/ Chris Van Hollen](#)

Chris Van Hollen
United States Senator

[/s/ Tina Smith](#)

Tina Smith
United States Senator

[/s/ Dianne Feinstein](#)

Dianne Feinstein
United States Senator

[/s/ Sherrod Brown](#)

Sherrod Brown
United States Senator

[/s/ Mazie K. Hirono](#)

Mazie K. Hirono
United States Senator

[/s/ Ben Ray Luján](#)

Ben Ray Luján
United States Senator

[/s/ Sheldon Whitehouse](#)

Sheldon Whitehouse
United States Senator