



Letter Urging Congressional Leaders to Extend Certain CARES Act Provisions

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July 26, 2021

The Honorable Nancy Pelosi
Speaker,
U.S. House of Representatives
Washington, DC 20515

The Honorable Richard Neal
Chairman,
Committee on Ways and Means,
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles E. Schumer
Majority Leader,
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Mike Crapo

The Honorable Kevin McCarthy
Minority Leader,
U. S. House of Representatives
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member,
Committee on Ways and Means,
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader,
United States Senate
Washington, DC 20510

The Honorable

Chairman,

Finance Committee
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United States Senate
Senate

Washington, DC 20510
20510

Ranking Member,

Finance Committ

United States

Washington, DC

Dear Speaker Pelosi, Majority Leader Schumer, Minority Leaders McConnell and McCarthy, Chairman Neal and Ranking Member Brady, and Chairman Wyden and Ranking Member Crapo:

We are writing on behalf of the National Association of State Workforce Agencies (NAS WA), a non-profit and non-partisan association, to urge action as soon as possible to continue three vital aspects of COVID-19 legislation that will otherwise expire September 6, 2021. Our members are on the front lines, administering the nations' unemployment insurance (UI) programs. Our membership, workforce agencies in all states, the District of Columbia, and U.S. territories, agree on the following as high priority items:

- An extension of Section 2106 of the CARES ACT authorizing state staffing flexibility is critical for the continued operation of UI programs. States have relied on nonmerit staffing for hiring temporary staff or rehiring retirees or former employees on a noncompetitive basis in order to process the elevated number of claims. Given the continuing increased claim load, it is requested that maximum flexibility for staffing be extended through 2022.
- The current waiver of interest payments and the accrual of interest on federal advances to UI trust funds should be extended through 2022. With extreme claim loads, many states are borrowing in order to make UI payments. Given the continued economic stress, all state workforce agencies agree that a continued moratorium on interest accrual and payments is critical in order to avoid significant increased taxes and assessments on employers.
- Clarity is needed to protect states that quickly assisted citizens through the Lost Wages Assistance (LWA) program. In the summer of 2020, states were encouraged to quickly implement the LWA program, administered by the Federal Emergency Management Administration (FEMA), to provide a supplemental UI benefit after the Federal Pandemic Unemployment Compensation (FPUC) lapsed. NASWA requests legislation to hold states harmless for unobtainable LWA overpayments as long as good faith efforts are being made to

recoup improper payments.

The three items above are critical to promote economic recovery as well as the efficient administration of UI programs. Our [NASWA 2021 Legislative Priorities](#) include additional recommendations for additional improvements in the public workforce system.

Sincerely,

Fitzgerald Washington
NASWA Board Chair
Secretary,
Alabama Department of Labor

Robert Asaro-Angelo
NASWA Board Chair-Elect
Commissioner,
New Jersey Department of Labor & Workforce Development

Scott B. Sanders
NASWA President and CEO

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