

Congress of the United States
Washington, DC 20515

April 20, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
H-232, The Capitol
Washington, DC 20515

Dear Speaker Pelosi:

We appreciate your dedication and hard work to provide needed improvements to our unemployment insurance system in the CARES Act to respond to millions of workers being laid off. As unemployment claims skyrocket and businesses struggle to remain viable, it is crucial that we build on that work by making further improvements to short-time compensation, also known as work share.

Work sharing arrangements allow employers to forgo layoffs by reducing workers' hours, while the workers receive a portion of unemployment benefits to make up for lost wages. This prevents layoffs and puts more money in workers' pockets, makes it possible for businesses to ramp up operations at a manageable rate, and decreases the costs to the unemployment insurance system. In order to expand this existing model, we respectfully request the following policies be included in the next response package:

- 1) **Employers should be allowed to decrease workers' hours to at least 20% of their normal working hours and still participate in work share programs.** Removing the 40% federal minimum hours requirement would open the program to more businesses and more effectively respond to the realities of the current crisis that have closed many businesses entirely. This helps a business to reopen or stay open, while putting more money in workers' pockets and reducing stress on UI accounts.
- 2) **Employers in every state should be allowed to benefit equally from the federal workshare benefits provided in this bill.** Currently 27 states and the District of Columbia have work sharing laws, and would receive 100% federal financing for benefits under those programs through the CARES Act. However the CARES Act also included a provision that imposes 50% cost sharing for the unemployment insurance benefits on participating employers in states without work share laws. This would dramatically disincentivize employer participation – exactly the opposite of our goal. The federal government should temporarily cover 100% of the program costs in all states.
- 3) **States should not limit small businesses participation in the program by barring businesses below a certain employee threshold.** While there is no federal minimum employee limit, some states have instituted those requirements. The federal government should encourage states to allow every business to participate, with no minimum employee limit.

By making these changes, we can expand the existing work share model to thousands more businesses, potentially preventing millions of layoffs while reducing the overall cost of unemployment insurance benefits. Increased work share participation will also dramatically improve the speed and scale of our economic recovery.

Thank you for your consideration of these proposals. We appreciate your thoughtfulness as we craft our next legislative response.

Sincerely,



Mark Pocan
Member of Congress

CC: The Honorable Richard E. Neal, Chairman, Committee on Ways and Means

Also signed by:

/s/
Karen Bass
Member of Congress

/s/
André Carson
Member of Congress

/s/
Katherine M. Clark
Member of Congress

/s/
Diana DeGette
Member of Congress

/s/
Adriano Espaillat
Member of Congress

/s/
Jesús G. “Chuy” Garcia
Member of Congress

/s/
Deb Haaland
Member of Congress

/s/
Pramila Jayapal
Member of Congress

/s/
Suzanne Bonamici
Member of Congress

/s/
David N. Cicilline
Member of Congress

/s/
Peter A. DeFazio
Member of Congress

/s/
Debbie Dingell
Member of Congress

/s/
Marcia L. Fudge
Member of Congress

/s/
Raúl M. Grijalva
Member of Congress

/s/
Sheila Jackson Lee
Member of Congress

/s/
Henry C. “Hank” Johnson, Jr.
Member of Congress

/s/
Joseph P. Kennedy, III
Member of Congress

/s/
Derek Kilmer
Member of Congress

/s/
Brenda Lawrence
Member of Congress

/s/
Andy Levin
Member of Congress

/s/
James P. McGovern
Member of Congress

/s/
Joseph D. Morelle
Member of Congress

/s/
Grace F. Napolitano
Member of Congress

/s/
Donald Norcross
Member of Congress

/s/
Alexandria Ocasio-Cortez
Member of Congress

/s/
Chellie Pingree
Member of Congress

/s/
Jamie Raskin
Member of Congress

/s/
Bobby L. Rush
Member of Congress

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Ro Khanna
Member of Congress

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John B. Larson
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Barbara Lee
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Alan Lowenthal
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Jerry McNerney
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Seth Moulton
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Joe Neguse
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/s/
Eleanor Holmes Norton
Member of Congress

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Ilhan Omar
Member of Congress

/s/
Ayanna Pressley
Member of Congress

/s/
Lucille Roybal-Allard
Member of Congress

/s/
Jan Schakowsky
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Thomas R. Suozzi
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Darren Soto
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Mark Takano
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Rashida Tlaib
Member of Congress

/s/
Bonnie Watson Coleman
Member of Congress