

February 26, 2021

Governor Laura Kelly
Office of the Governor
Capitol, 300 SW 10th Ave., Ste. 241S
Topeka, Kansas 66612

Dear Governor Kelly,

As we approach nearly a year since COVID-19 arrived in Kansas, we are deeply troubled by the fact that many Kansans are still facing extreme difficulties receiving their unemployment benefits from the Kansas Department of Labor (KDOL). Our offices are fielding urgent pleas for assistance from constituents who, through no fault of their own, are finding themselves without the means to pay their bills. Kansans filing for unemployment benefits are often facing difficult timelines where lack of immediate assistance results in inability to put food on the table, keep a roof over their head, or pay for lifesaving medications. Kansans cannot continue to wait weeks or months before finally receiving their unemployment benefits from the state.

The Kansas Congressional Delegation has worked steadily in good faith with KDOL staff and followed their directives regarding where to send referrals. We are very concerned to hear your office has ignored many unemployment benefit referrals sent over by our offices. In addition, Kansans referred to the new KDOL assistance email address have not been receiving calls back within a week, as promised. Instead, they are being sent emails directing them to call centers where no one is answering the phones. A press release¹ issued by KDOL on February 12, 2021 stated unemployment benefits extended under the Phase IV federal relief package, which was signed into law in December, would begin being distributed no later than February 19. Unfortunately, that date has come and gone without payments being sent to all who had applied.

The *Coronavirus Aid, Relief, and Economic Security (CARES) Act* was passed by Congress in March 2020 and, among other unemployment provisions, created two major emergency unemployment benefit programs: the Pandemic Emergency Unemployment Compensation (PEUC) program and the Pandemic Unemployment Assistance (PUA) program. Together, these initiatives were created specifically to avoid the situation many Kansans are now facing amidst a sluggish job market that continues to be a barrier to steady income. While the federal government was able to quickly provide guidelines and deliver funding to state governments, Kansas remained far behind in processing the unemployment benefits to bank accounts. Kansas, like several other states, was utilizing systems that had not been updated in years and, consequently, was under-equipped to handle the large amounts of processing associated with the *CARES Act* unemployment benefits. The Coronavirus Relief Fund (CRF), another provision of

¹ <https://www.dol.ks.gov/docs/default-source/home-page-news/2021/kdol-update-on-pandemic-emergency-unemployment-compensation-implementation.pdf>

the *CARES Act*, sent federal funding directly to states and metropolitan areas for purposes of responding to the COVID-19 public health emergency. The CRF deliberately provided state and local leaders with discretion for determining whether an expenditure from their CRF allocation is in response to the pandemic or not, instead of a rigid, one-size-fits-all approach. Using a portion of the CRF allocation to modernize outdated unemployment processing systems in order to efficiently handle the significant influx of federal unemployment benefits clearly fits within the congressional intent of being a necessary expenditure in response to the COVID-19 public health emergency under Section 5001 of the *CARES Act*.

The federal government acted quickly to ensure state governments had the money necessary to provide the emergency unemployment benefits to those who applied. While some states found themselves struggling immediately with low funds in their unemployment trust funds at the onset of the pandemic, Kansas was not one of them. Governor Kelly, you told the State Finance Council on June 16, 2020 that you considered the Kansas unemployment trust fund to still be in a strong position, with \$800 million remaining, and the federal government has consistently refilled state unemployment funds throughout the pandemic. It is not a solution to continue throwing money in a direction where the process is the problem. According to a House Oversight Committee report released on February 12, Kansas' Executive Office still has \$218 million unspent from the coronavirus relief packages passed last year, further showing Kansas is not in imminent need of additional resources.

Given the unprecedented increase in individuals filing for unemployment, preventing fraud and identity theft needed to be a high priority to save Kansans from further stress. To address the challenges, last year the Department of Labor provided states with \$100 million to combat fraud related to the unemployment benefit programs created under the *CARES Act*. The funding was permitted to be used to conduct fraud investigations, additional fraud detection-related services and to implement tools to increase prevention, detection and recovery of fraudulent payments in the PUA and PEUC programs. Of the \$100 million allocated, Kansas received a total of \$1,735,000, with \$1,499,400 to be used for PUA and \$285,600 for PEUC.

The last year has been incredibly difficult for unemployed Kansans, and they are right to be upset at the slow, confusing responses from KDOL. The fact of the matter is Kansans' livelihoods have been put on the line during the upheaval caused by the department's instability with four different leaders over the past year, the false narrative that additional federal funding will solve the current issues, and playing politics rather than problem-solving. When Kansans are getting evicted from their homes or are unable to purchase groceries and are calling for help but receiving none, it is evident something must change immediately. In order to provide our constituents with the service they deserve, we suggest a few improvements to KDOL's current unemployment benefits referral process:

- 1) Hiring or designating employees dedicated solely to answering the thousands of Kansans calling KDOL each week;
- 2) Hold a weekly phone call between KDOL and staff from each congressional office to discuss any problems or needed changes;
- 3) Keep at least one KDOL employee available for immediate contact regarding true hardship cases.

Again, our purpose is to ensure Kansans are receiving appropriate care and support from KDOL, which is not being accomplished by the status quo. Thank you for your consideration and we look forward to discussing our suggestions.

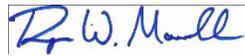
Sincerely,



Jerry Moran
United States Senator



Ty Masterson
Kansas Senate President



Roger Marshall
United States Senator



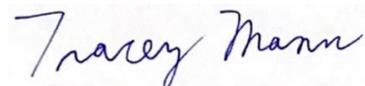
Ron Ryckman Jr.
Kansas House Speaker



Jake LaTurner
United States Representative



Ron Estes
United States Representative



Tracey Mann
United States Representative