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February 26, 2021

Governor Michael L. Parson
Office of the Governor
State Capitol Building
201 W. Capitol Avenue, Room 216
Jefferson City, MO 65101

Dear Governor Parson,

I am writing with deep frustrations regarding the state's request for repayment of overpaid Pandemic Unemployment Assistance (PUA) benefits, particularly given the dire circumstances of this ongoing public health and economic crisis, which has hit our St. Louis community hard.¹ To date, Missouri has had at least 515,000 cases and 8,316 deaths due to COVID-19.² In Missouri's First Congressional District, which includes St. Louis County and St. Louis City, there have been at least 87,557 and 21,309 cases, respectively.³ At the height of this pandemic, more than 320,000 Missourians were collecting unemployment benefits.⁴ In St. Louis, the United States Bureau of Labor Statistics reports that as of December 2020, at least 85,580 St. Louis area residents were unemployed — a 76 percent spike in unemployment over the previous year.⁵

With hundreds of thousands of people in my district and our state in dire need of support, I am grateful that the federal government stepped in. The unemployment benefits provided through the PUA began in March 2020 as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. It had the specific goal of supporting workers who were otherwise ineligible for unemployment benefits under state law (e.g., self-employed workers, gig workers, independent contractors, and workers with a limited work history). This benefit has been an essential lifeline to many residents across St. Louis and the state and has helped ensure that more of people's basic needs are met during this time. The checks that went out during the pandemic were an essential lifeline to keep many people in my district housed and fed, covering a wide range of people, from people with dependents who have lost their jobs to those who have had to quit jobs to care for children who are at home because they are unable to attend school in-person.

Reports that the state overpaid these benefits are concerning and part of a pattern involving many states that overpaid in the rush to provide relief to their residents.⁶ However, reports that Missouri's Department of Labor and Industrial Relations (DLIR) is requesting repayment on overpayments that were the state's fault is deeply troubling. According to DLIR, at least 46,000 people were overpaid a collective \$150 million in

¹ <https://missouriindependent.com/2021/02/05/missouri-gov-parson-remains-adamant-on-unemployment-repayments/>

² <https://showmestrong.mo.gov/data/public-health/statewide/>

³ *Ibid.*

⁴ <https://www.news-leader.com/story/news/politics/2021/01/04/missouri-unemployment-status-aid-covid-pandemic-300-mo-stimulus/4129627001/>

⁵ https://www.stltoday.com/business/local/st-louis-unemployment-rate-jumps-to-6-2/article_feb7b17d-14bf-53fc-9553-3eb7d6bdad3.html

⁶ <https://www.npr.org/2021/02/15/967370630/states-can-forgive-unemployment-overpayments-but-missouri-demands-people-pay-up>

unemployment benefits last year.⁷ In many instances, residents across St. Louis and the state are being asked to repay up to \$12,000 during a time of extraordinary economic hardship.⁸ My office has been inundated with calls from constituents with requests to pay such high sums back to the state. The state's request for repayment is worsened by the fact that PUA benefits and payments redirected from the Federal Emergency Management Agency (FEMA) in August and September of 2020 were fully paid by the federal government, not the state of Missouri. Just this week, the Missouri House Special Committee on Government Oversight agreed, voting by a bipartisan 7-1 margin in favor of a bill to relieve repayment requirements.⁹

Further, the overpayment of these benefits is a mistake by the state, and any attempts to seek repayment from beneficiaries not at fault at a time when tens of thousands of Missourians are out of work and struggling to make ends meet is cruel. About 80 percent of the overpaid money is from federal programs and, as of December 27, 2020, the federal government has waived reimbursement of these funds.¹⁰ As a result, these funds do not have to be paid back if the worker was not at fault and cannot repay. Moreover, the Bipartisan COVID-19 Emergency Relief Act of 2020 that was passed by Congress in December waived reimbursement in cases where unemployed workers were overpaid at no fault of their own, if doing so would cause severe economic hardship.¹¹ Far too many of the people and families being harassed by the state to pay back these funds fall into these categories.

In the coming weeks, Congress will pass President Biden's American Rescue Plan, a \$1.9 trillion relief package that will provide additional unemployment benefits to help unemployed workers throughout the state. Additionally, through our work on the House Committee on Oversight and Reform, my colleagues and I have secured an estimated \$2.84 billion in much-needed aid to Missouri. It has been almost a year since state and local funding was provided by the CARES Act, and these funds will undoubtedly help Missouri and St. Louis recoup revenue that has been lost as a result of this pandemic and ensuing economic crisis. The state should be readying itself to disperse these funds, rather than expending scarce resources to collect unemployment benefits that the state mistakenly overpaid when the federal government has indicated it does not want that money back.

I strongly urge the state to cease efforts to seek repayment for overpaid unemployment benefits where not necessary. The federal government has waived reimbursement of those funds, and so too should the state of Missouri. Residents across St. Louis and other communities across the state are struggling. As public officials, we should be extending more empathy and compassion to Missourians facing economic hardship during this time, not less.

Sincerely,



CORI BUSH
Member of Congress

⁷<https://krcgtv.com/news/local/unemployment-benefits-overpayment-waiver-legislation-set-to-be-heard-by-special-committee>

⁸<https://www.npr.org/2021/02/15/967370630/states-can-forgive-unemployment-overpayments-but-missouri-demands-people-pay-up>

⁹<https://missouriindependent.com/2021/02/17/missouri-house-committee-votes-to-forgive-federal-unemployment-debts/>

¹⁰ <https://www.cnbc.com/2021/01/19/unemployment-benefits-some-fear-states-wont-waive-pua-overpayments.html>

¹¹ <https://www.cnbc.com/2020/12/15/unemployment-benefits-how-the-covid-relief-bill-would-help-workers.html>