

## Senate of Pennsylvania

November 28, 2016

The Honorable Tom Wolf  
Governor  
Commonwealth of Pennsylvania  
225 Main Capitol Building  
Harrisburg, PA 17120

Dear Governor Wolf:

As you know, the Service and Infrastructure Improvement Fund (SIIF) was designed from the outset to be temporary, with an agreed-to, four-year sunset date. Funding was intended to support the unemployment compensation system during a period of declining federal dollars and to assist the Department of Labor and Industry in updating its aging infrastructure. The scheduled sunset in December was not a surprise.

We find your recent comments on this issue concerning as it is difficult to see how politicizing the unemployment compensation funding situation achieves any constructive purpose. If suitable progress in the modernization of the unemployment compensation system has not been realized, that information should have been conveyed to the General Assembly in detail, rather than simply presenting a blanket funding request.

The Senate acted in good faith when it followed progress made in the House in negotiating a potential compromise. Although the bill still needed some additional input, it was immediately moved through the Labor and Industry and Appropriations committees to put it in position for a floor vote in late October. Throughout this process it was made clear to your office that the administration would need to justify an extension before our members would consider extending the program. The Senate repeatedly requested information outlining the need for an extension, as well as how the department proposes to end its dependence on this funding in the future. In fact, a January 2016 letter from Secretary Manderino assured us that a full report would be received by June 2016. Reports and responses to the media have been more forthcoming than information to the Senate. Unfortunately, to date, we have yet to receive that report, a satisfactory explanation or a detailed plan.

The administration's willingness to furlough employees and close unemployment call centers without a plan for the future is more than disappointing. Publicizing the threat and leveraging jobs is an insult to the individuals who work hard every day on behalf of our Commonwealth. If the administration assumed that the Senate would just extend and increase the funding without additional accountability that was a serious misjudgment. Our members have consistently shown a high commitment to greater

public accountability when considering spending requests; they want to see what has been done with existing dollars in weighing requests for additional money.

The furlough announcement also raises some important questions about the methodology behind your choosing which centers to close. Is access less important to the unemployed workers in certain areas? Was your criteria based on:


- Efficiency of the centers;
- Call volumes;
- Size of the center;
- Job performance; and
- Employee experience?

Without answers to those questions, many speculate your decisions driving the certain closures are simply political.

We have not lost the willingness to continue to analyze this situation. However, in order for this to occur, the administration's public accounting should include specific projects, expenditures, and timelines, as well as a detailed plan outlining future transfers, and a timeframe for elimination of extraordinary funding. In addition, a third-party audit of the program is appropriate and necessary.

We look forward to receiving the requested information so we can determine any necessary future course of action.

Sincerely,

  
Senator Joe Scarnati  
President Pro Tempore

  
Senator Jake Corman  
Majority Leader

  
Senator Lisa Baker  
Chair, Senate Labor & Industry Committee