

United States Senate
WASHINGTON, DC 20510

November 14, 2008

The Honorable Elaine L. Chao
Secretary
United States Department of Labor
200 Constitution Avenue, NW
Washington, D.C. 20210

Dear Secretary Chao:

We write in support of a National Emergency Grant application filed by the states of New Jersey, New York, and Connecticut. This grant will allow our region to address in a coordinated manner the needs of workers who have already lost or may soon lose their jobs due to the financial crisis on Wall Street. Preliminary estimates suggest that approximately 82,000 financial services jobs will be lost through the end of 2009 in the greater tri-state area – a number that could double when considering the impact on related industries.

In the past year, the unemployment rate in New Jersey has increased from 4.2% to 5.8%, resulting in the loss of 75,000 jobs. Unfortunately, we expect these numbers to increase in New Jersey, as well as in New York and Connecticut, as the full fallout from the downturn in the financial sector reverberates through the greater economy. Although states do receive formula funds to serve dislocated workers, these funds are inadequate to serve the extraordinary number of workers affected by this unprecedented crisis in our financial sector.

While media attention has focused on the layoff of highly paid securities traders, the majority of the workers in the financial industry are in administrative and computer support occupations. These individuals will need to realign their skills with the demands of the current marketplace and, in some cases, will need additional training.

We urge you to grant this application quickly to ensure that workers in New Jersey and the whole tri-state region are able not only to weather the economic downturn, but to play a critical role in the recovery.

Sincerely,


FRANK LAUTENBERG
United States Senator


ROBERT MENENDEZ
United States Senator