FEMA Lost Wages Supplemental Payment Assistance

Release Date: Aug 13, 2020

To ease the economic burden for those struggling with lost wages due to the coronavirus (COVID-19) pandemic, President Donald J. Trump authorized FEMA to expend up to \$44 billion from the Disaster Relief Fund for lost wage payments.

FEMA will provide grants to participating states, territories, and the District of Columbia (hereinafter "states") to administer delivery of lost wages assistance for which they will receive an additional amount up to 5% of the total grant award to cover their administrative costs, subject to the cost share.

The <u>President's authorization</u> for FEMA to use the Disaster Relief Fund (DRF) to supplement the payment of lost wages as a result of COVID-19 is in addition to the \$8.8 billion FEMA has already obligated to date in the fight against COVID-19.

The President has authorized the FEMA Administrator to provide grants to the states to make supplemental lost wages payments to those receiving unemployment insurance compensation, in accordance with section 408(e)(2) and (f) of the Stafford Act (42 U.S.C. §§§ 5174(e)(2), (f)).

Process Overview

A state may request assistance by submitting an application for a grant award to administer the supplemental payments for lost wages.

FEMA has provided states with complete instructions, required forms, and recommended templates to support the application process. These materials are currently available on fema.gov and grants.gov.

In making a request, the state government must submit the following to FEMA:

- Standard Form (SF) 424, Application for Federal Assistance
- SF-424A Budget Information for Non-Construction Programs



Page 1 of 4

- Provide a weekly benefits and claimant projection for each category of benefits listed for eligible individuals
- SF-424B Assurances for Non-Construction Programs
- Grants.gov Lobbying Form
- SF-LLL Disclosure of Lobbying Activities
- FEMA Form 010-0-11: Individuals and Households Program Other Needs Assistance Administrative Option Selection that includes the correct selections for an ONA Lost Wages Grant
- Indicate selection of \$300 or \$400 weekly supplemental lost wages payment to eligible individuals
- New State Administrative Plan

Upon approval, FEMA will obligate funds to the state, which will administer the lost wages payments in conjunction with its respective unemployment office. States may provide supplemental lost wages payments to eligible individuals retroactively, beginning with the week of unemployment ending August 1, 2020.

Eligibility

A state may provide supplemental lost wages payments from the week of unemployment ending August 1, 2020, to individuals ("claimants") currently eligible for at least \$100 per week in unemployment insurance compensation from any of the following:

- Unemployment compensation, including regular State Unemployment Compensation, Unemployment Compensation for Federal Employees (UCFE) and Unemployment Compensation for Ex-Service members (UCX)
- Pandemic Emergency Unemployment Compensation (PEUC)
- Pandemic Unemployment Assistance (PUA)
- Extended Benefits (EB)
- Short-Time Compensation (STC)
- Trade Readjustment Allowance (TRA)
- Payments under the Self-Employment Assistance (SEA) program



Claimants will be required to self-certify that they are unemployed or partially unemployed due to disruptions caused by the COVID-19 pandemic as part of the initial unemployment insurance claims process and or required weekly recertifications.

States may provide claimants a lost wages supplement of up to \$400, composed of a \$300 federal contribution from the Disaster Relief Fund and an additional amount up to \$100 from state funds. The state-funded portion may be sourced from the Coronavirus Aid Relief and Economic Security fund allocation. The total lost wages supplemental payment may not exceed \$400.

States may instead provide claimants the lost wages supplement of \$300 paid entirely from the \$300 federal contribution and satisfy the match, with no additional state payout, by leveraging existing state funding used to pay regular state unemployment benefits. In this case, the state must demonstrate at the aggregate level that the total of its state-funded unemployment benefits to claimants receiving the lost wages supplement were at least 25 percent of the total lost wages assistance benefits paid in conjunction with all of the unemployment programs listed above.

Lost wages payments must be administered and delivered by states pursuant to grant agreements with FEMA, in conjunction with the state's unemployment insurance system. Since states are administering the grants, if a claimant is denied a lost wages payment states will use their existing policies and processes for adjudicating appeals from individuals denied unemployment insurance benefits. States are also responsible for recovering improper lost wages payment benefits from claimants. FEMA will not administer benefits directly to claimants.

FEMA grants for lost wages supplemental payments will continue until the earlier of: 1) FEMA has expended \$44 billion from the Disaster Relief Fund (DRF), 2) The DRF balance reaches \$25 billion, 3) enactment of legislation providing supplemental Federal unemployment compensation, or similar compensation, for unemployed or partially employed individuals due to COVID-19, or 4) December 27, 2020. FEMA grant funding to each state will be based on the state's projected estimate of the amount of lost wages supplemental payments to be made per week, the estimate of eligible claimants, and a planning estimate for the state, inclusive of FEMA's budgetary authority.



Page 3 of 4

States must apply for this grant through the <u>Grants.gov portal</u>. To access application forms and instructions, from the portal homepage, select "Applicants" then "Apply for Grants." Enter funding opportunity ID DHS-20-ONA-050-00-99, select "Download Package," and then follow the prompts to download the application package, which will include the required standard forms. FEMA Form 010-0-11 and the State Administrative Plan should be included as attachments. Grants.gov provides applicants 24/7 technical support via the toll-free number 1-800-518-4726 and email at support@grants.gov.

States with questions about the grant and how to administer the program can contact the FEMA Individuals and Households Help Desk at <u>FEMA-IHPHelpdesk@fema.dhs.gov.</u>

States with questions regarding the intersection of this grant with state unemployment benefit programs can contact the Department of Labor at covid-19@dol.gov.

Related Content

Fact Sheets: Supplemental Payments for Lost Wages | Lost Wages Assistance Approved States

News Release: FEMA Announces First States to Receive Lost Wages Grants

Frequently Asked Questions : <u>FEMA Supplemental Lost Wages Payments Under</u> Other Needs Assistance FAQ

