

FEMA Supplemental Lost Wages Payments Under Other Needs Assistance

The COVID-19 pandemic has disrupted life for Americans across the country. To ease the burden for those struggling with unemployment caused by COVID-19, President Donald J. Trump directed FEMA to provide supplemental payments for lost wages nationwide under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (“Stafford Act”).

- **Q:** Why are we using authority under the Stafford Act Section 408 Other Needs Assistance (ONA) instead of Section 410 Disaster Unemployment Assistance (DUA)?
 - **A:** DUA is very limited and only available to individuals who aren't eligible for regular Unemployment Insurance (UI). The President’s authorization for a \$300 lost wages payment from FEMA is for a supplemental payment on top of UI paid by the state/territory. Also, DUA is limited to what regular UI in the state/territory would pay out so it can't be used to supplement regular UI.
- **Q:** Will this grant open other aspects of ONA or will it be just supplemental lost wages payments?
 - **A:** The only category of ONA authorized by the President for COVID-19 declarations is supplemental lost wages payments. Authorization of additional assistance remains under consideration.
- **Q:** Will states and territories have a deadline to submit their application?
 - **A:** Yes – grant applications and completed administrative plans must be received by September 10, 2020 in order to be considered for a grant.
- **Q:** How long will it take until the grant funding can be given to states and territories? How quickly will a state’s or territory’s grant application be approved?
 - **A:** The Presidential Memorandum was signed on August 8 and FEMA awarded the first four grants on August 14. FEMA must first receive an application from a state/territory. After a state/territory submits its application, FEMA approval time depends on whether the application is complete and addresses all grant requirements. Our experience to date is that FEMA will be able to approve applications very quickly, depending on completeness and sufficiency. Once the grant award is approved by FEMA and signed by a state/territory, funding will then be available within one business day of receipt of the fully executed grant award.
- **Q:** How long will it take states and territories to administer that funding to individuals? Will it vary?
 - **A:** The timeframe to administer funding to individuals will vary by state/territory. States/territories must adjust their unemployment insurance system to access these funds and accommodate program requirements, such as claimant eligibility, which may factor into delivery time state/territory systems and capabilities vary. The Department of Labor estimates an average of three weeks from August 8, as



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states/territories adjust their systems concurrently with FEMA's review process. However, at least one state has estimated it will have all payments out retroactive to August 1 in less than one week from grant award.

- **Q:** Is there money set aside for each state or is it the case that the fund will be drawn down on a first come first serve basis?
 - **A:** FEMA will use data from the Department of Labor, as well as state data received on applications to project the overall funding distributions. Approved grant applicants will receive an initial obligation of three weeks of needed funding. Additional disbursements will be made on a weekly basis in order to ensure that funding remains available for the states who apply for the grant assistance.

- **Q:** How long does the program last?
 - **A:** FEMA grants for lost wages supplemental payments will continue until the earlier of: 1) FEMA expends \$44 billion from the Disaster Relief Fund (DRF); or 2) The total unobligated balance of the DRF decreases to \$25 billion; or 3) Legislation is enacted that provides, due to the COVID-19 pandemic, supplemental federal unemployment compensation or similar compensation for unemployed or partially-employed individual; or 4) December 27, 2020 which is the end of the period of performance for the grants.

- **Q:** Which individuals are currently eligible?
 - **A:** A state/territory may provide supplemental lost wages payments to individuals (“claimants”) currently eligible for at least \$100 per week in UI compensation from the week of August 1, 2020 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

Individuals are required to self-certify through established state/territory unemployment insurance procedures 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. Claimants who previously self-certified that they are unemployed or partially unemployed due to disruptions caused by COVID-19 under Pandemic Unemployment Assistance will not need to recertify again.

- **Q:** Is this grant for states, tribes and territories?
 - **A:** The President has authorized the FEMA Administrator to provide grants to states, territories, and the District of Columbia to make supplemental lost wages payments to those receiving unemployment insurance compensation, in accordance with sections 408(e)(2) and (f) of the Stafford Act (42 U.S.C. §§ 5174(e)(2), (f)). Since tribes do not have established unemployment insurance systems, tribal members can access

supplemental lost wages payments through their state's/territory's unemployment agency, as they do with regular unemployment.

- **Q:** COVID-19 declarations did not previously include the Individuals and Households Program. Will new declarations be necessary for the states and territories to apply for the supplemental lost wages payment grant?
 - **A:** No –the Presidential Memorandum authorizes lost wages assistance for the COVID-19 major disaster declarations for all states and territories, including the District of Columbia.
- **Q:** Is this a cumulative \$44B or will states and territories have an individual cap?
 - **A:** This is a cumulative \$44 billion, inclusive of administrative costs. FEMA is working to ensure funding is made available for all interested states/territories on an equitable basis based on estimated unemployment rates by state/territory.
- **Q:** Is there a concern about duplication of benefits with other state and territory programs?
 - **A:** No, there is no concern about duplication of benefits as these are supplemental payments that do not duplicate state/territory unemployment insurance benefits.
- **Q:** Will the funding in the grants authorized to states and territories be for individuals already receiving unemployment due to COVID-19 or will this be for only new claims? Or both?
 - **A:** The funding will be provided to existing and new claimants for unemployment compensation who self-certify that they are unemployed or partially unemployed as a result of COVID-19 from the week of unemployment ending August 1, 2020 through December 27, 2020 or until termination of the program because funding is exhausted.
- **Q:** Which state or territory agency should apply for the grant? Who is the administering entity at the state or territory level?
 - **A:** The state/territory unemployment agency responsible for administering the supplemental lost wages payments should apply for the grant. This will ensure that the recipient identified in the grant award will be able to access grant funds from the Treasury to administer the payments allocated to their DUNS number. The state/territory emergency management agency may have experience with applications for ONA grants and should be consulted to provide technical assistance as necessary.
- **Q:** What type of documentation will need to be included to apply for the grant?
 - **A:** States/territories must provide the following forms available to download and submit with instructions at the [Grants.gov SF-424 Forms Repository](#):
 - Standard Form (SF) 424, Application for Federal Assistance
 - SF-424A Budget Information for Non-Construction Programs
 - To include a weekly benefits and individual projection for each category of benefits listed in the description of “eligible individuals” provided
 - SF-424B Assurances for Non-Construction Programs
 - Grants.gov Lobbying Form
 - SF-LLL Disclosure of Lobbying Activities
 - Attachments Form

- Complete this form by attaching a signed State Administrative Plan which includes relevant state/territory procedures for grant administration and FEMA ONA Option Selection Form 010-0-11

- **Q:** How will the funding flow to the state or territory?
 - **A:** State/territory unemployment agencies will be issuing lost wages payments on behalf of the state/territory. The funds will be disbursed through the disbursement platform utilized by Department of Labor and Treasury for unemployment insurance programs. FEMA intends to issue both grant funding assistance and authorized reasonable administrative costs through this platform.
- **Q:** Information provided stipulates a \$300 federal share/\$100 state or territory share. Does this mean that the state or territory does not have the ability to alter the amount of funding provided? If a state or territory has a legislative maximum of unemployment assistance, does this impact the amount that the federal government can provide?
 - **A:** Per the Presidential Memorandum that authorizes this assistance, the federal share for supplemental lost wages payments is fixed at \$300. The state/territory may choose to provide all claimants either a \$300 or a \$400 supplemental payment. These amounts cannot be adjusted. The supplemental payment is not unemployment insurance; it is a supplemental payment on top of the applicable unemployment insurance benefit paid by the state/territory.
- **Q:** Will states and territories receive administrative costs?
 - **A:** Yes, the Stafford Act authorizes administrative costs of no more than 5% of the total grant; these funds are in addition to those for benefit payments. The administrative costs are subject to the statutory 25% cost share.
- **Q:** Will FEMA fund 75% of the grant amount up front or fund 100% of the grant amount and send a bill for collection for the 25% state/territory cost share?
 - **A:** There are two supplemental payment options for the state/territory to demonstrate the cost share:
 - Option 1: the individual receives \$400 - \$300 federal contribution (75% cost share) and \$100 from state/territory funds, including Coronavirus Relief Funds (25% cost share).
 - Option 2: the individual receives \$300 - \$300 is the federal contribution and to satisfy its cost share the state/territory will be credited for underlying regular unemployment insurance paid from state/territory funds for the population that receives the \$300 supplemental payment.

States/territories are required to indicate their supplemental payment option selection (\$400 or \$300) on the Other Needs Assistance Administrative Option Selection form as part of their grant application package.

At grant close out, the state/territory will need to demonstrate how they met the statutory cost share. The state/territory will be responsible for demonstrating 25% of the total aggregate grant award. For the \$300 option, states/territories can satisfy this cost share by showing that they expended state/territory funds equivalent to at least 25% of the total grant amount on regular unemployment payments to individuals who received lost wages supplemental payments, retroactive to August 1, 2020.

- **Q:** Can states/territories count their existing UI weekly benefit payments from state/territory funds back to March 29, 2020 toward their cost share requirement of the lost wages supplemental payments grant, or may they only count the UI payments back to August 1, 2020 toward the cost share requirement?
 - **A:** The state/territory may count UI payments during the same period of federal funding consistent with the parameters of the grant – week of unemployment ending August 1, 2020, onward. States/territories may not apply funds expended prior to the week of unemployment ending August 1, 2020.
- **Q:** How will grants be monitored?
 - **A:** Monitoring protocols as required by 2 C.F.R. 200.336 will be outlined in the grant award letter. States/territories must, on a weekly basis, provide reports on: 1) the number and dollar amount of applications approved weekly; 2) the number of individuals eligible to receive assistance under the award, broken out by the programs identified in the Presidential Memorandum; 3) the amount of assistance disbursed weekly; and 4) the number of appeals received.

More Information

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

For additional information please visit [Fema.gov](https://www.fema.gov)