

**State of Vermont
Department of Labor**

P.O. Box 488
Montpelier, VT 05601
www.labor.vermont.gov

[telephone] 802-828-4301
[fax] 802-828-4022

MEMORANDUM

To: Joint Fiscal Committee
From: Michael Harrington, Labor Commissioner
Date: August 19, 2020
Subject: Vermont Department of Labor CRF Request

Total Amount Requested: \$20,000,000.

1. **Lost Wage Assistance Additional Benefit (\$20,000,000):** The Department of Labor (VDOL) requests funding to provide an additional \$100 benefit per UI claimant, per week, for up to four weeks, or for as long as the Lost Wage Assistance Program (LWAP) is active, whichever comes first. While the Department intends to meet its 25% required FEMA match for LWAP through existing benefit dollars paid out through the traditional unemployment insurance program, this \$100 per week additional benefit would ensure that all UI claimants, regardless of whether they meet the LWAP requirements, would receive the \$100 supplemental benefit, and that LWAP eligible recipients receive a combined supplemental benefit of \$400.

Vermont has roughly 45,000 individuals currently filing for benefits as of August 8, 2020. At \$100 per claimant for a total of 4 weeks, that equals \$17,600,000. The remaining \$2,400,000 will be used as a contingency, should the number of claims rise above the current number, the existing benefit amount not cover the required FEMA match, or if FEMA identifies any improper payments that must be repaid pursuant to 44 C.R.F. 206.120(f).

The urgency of this request is due to the launch and subsequent implementation of the Lost Wage Assistance Program. Vermont's application will be submitted prior to August 24th and the program will begin processing benefit payments when the application is approved, and funds are allocated by FEMA. It is expected that this process will occur in rather quick succession.

