



# Lost Wage Assistance Program

*Acting Secretary Ryan Wright  
September 3, 2020*



Since March 15, KDOL has paid out more than  
**2 million weekly claims** totaling over  
**\$1.87 billion** between regular unemployment,  
and the federal pandemic programs.

# Lost Wage Assistance Program (LWAP) *Timeline*

- On **August 8**, President Trump issued his executive memorandum creating the LWAP and announced that the program would provide up to **\$400** in supplemental payments to Americans on unemployment.
- On **August 10**, the application process was opened by FEMA.
- Initial guidance was issued on **August 12** and amended on **August 17**.
- On **August 27**, Governor Kelly announced Kansas' intention to apply for LWAP.

# Lost Wage Assistance Program (LWAP)

- Allows states to provide up to \$400 in additional unemployment benefits each week to eligible claimants.
- In addition to the normal requirements for unemployment programs, each claimant must:
  - Self-certify that their unemployment or under employment is caused by the COVID-19 pandemic;
  - Be receiving at least \$100 in unemployment benefits from another program.

# Lost Wage Assistance Program (LWAP)

- LWAP benefits will be available to claimants in all programs who are eligible.
- The earliest benefits could be payable is late September.
- Payments will be paid back to August 1, 2020 – the first week of program eligibility.

# Who will receive benefits under LWAP?

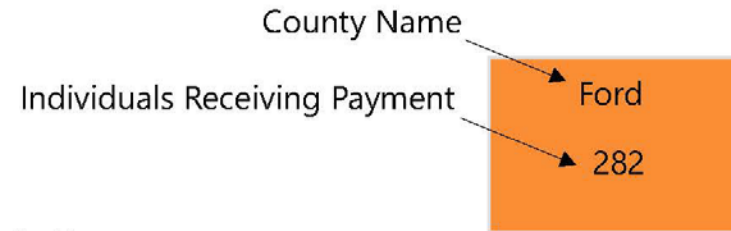
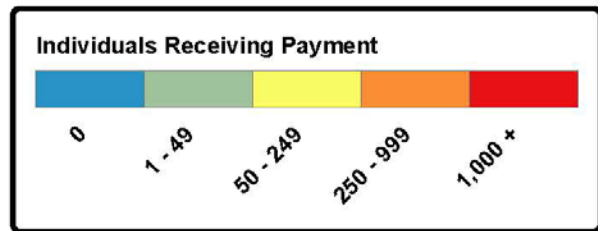
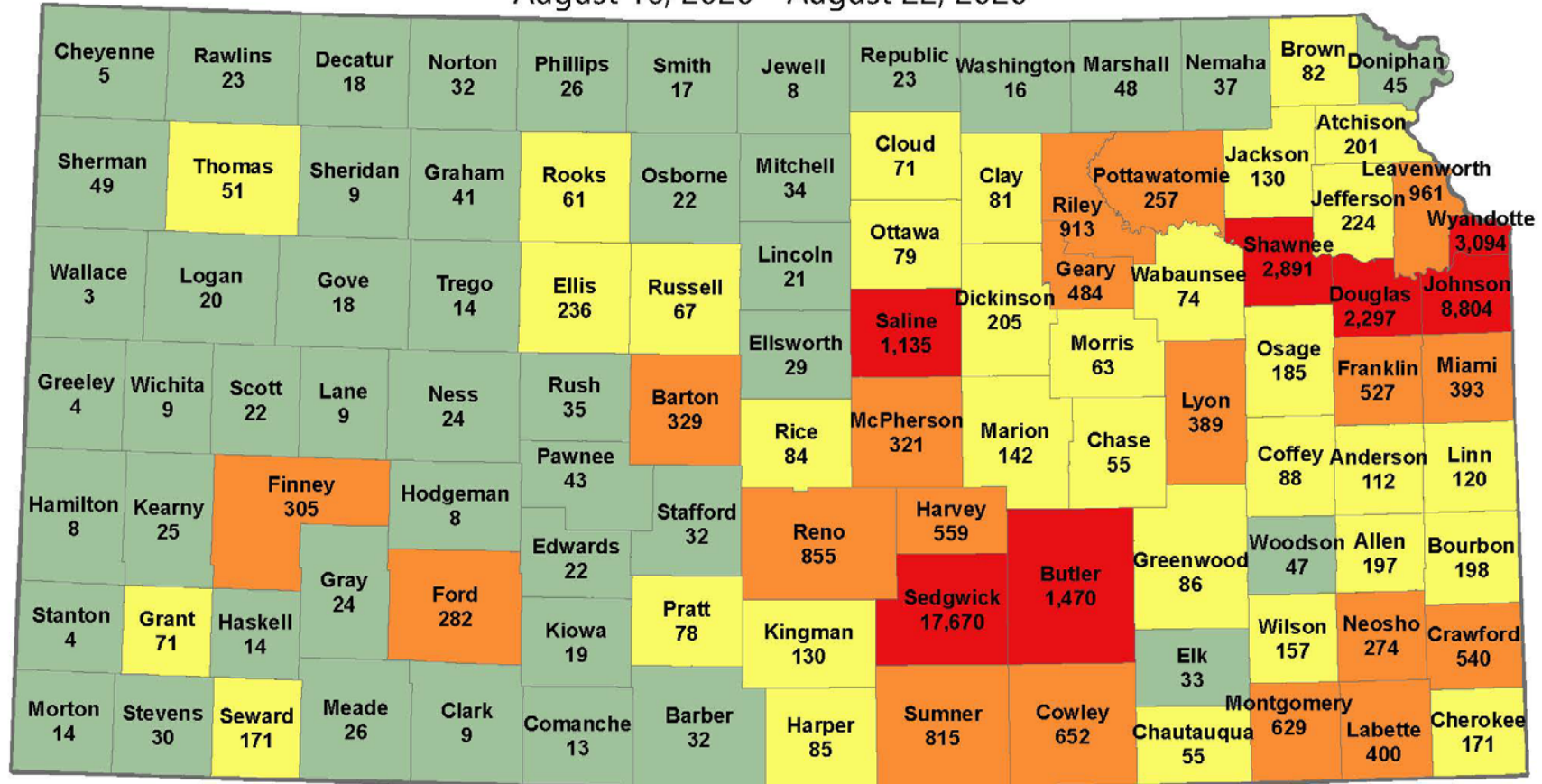
For the week ending August 22, KDOL made **76,199** unemployment payments to Kansans.

## Percent of Claims by Industry

Manufacturing	32%
Accommodation & Food Services	18%
Retail Trade	12%
Health Care & Social Assistance	12%
Administrative & Waste Services	11%
Transportation & Warehousing	7%
Educational Services	6%
Construction	6%
All Other Categories	27%

# Unique\* Individual Claimants Receiving Payment, by County of Residence

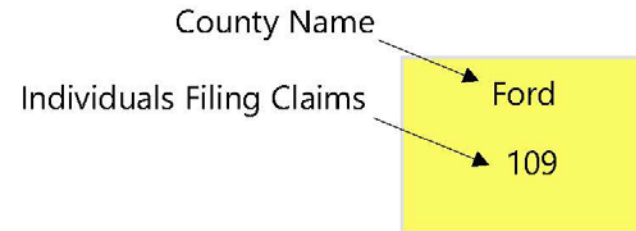
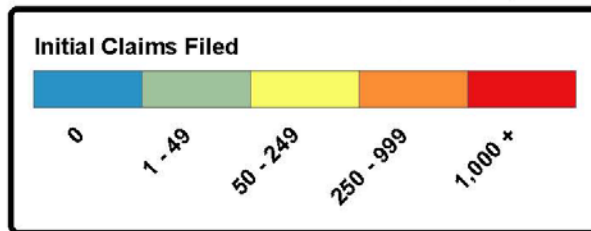
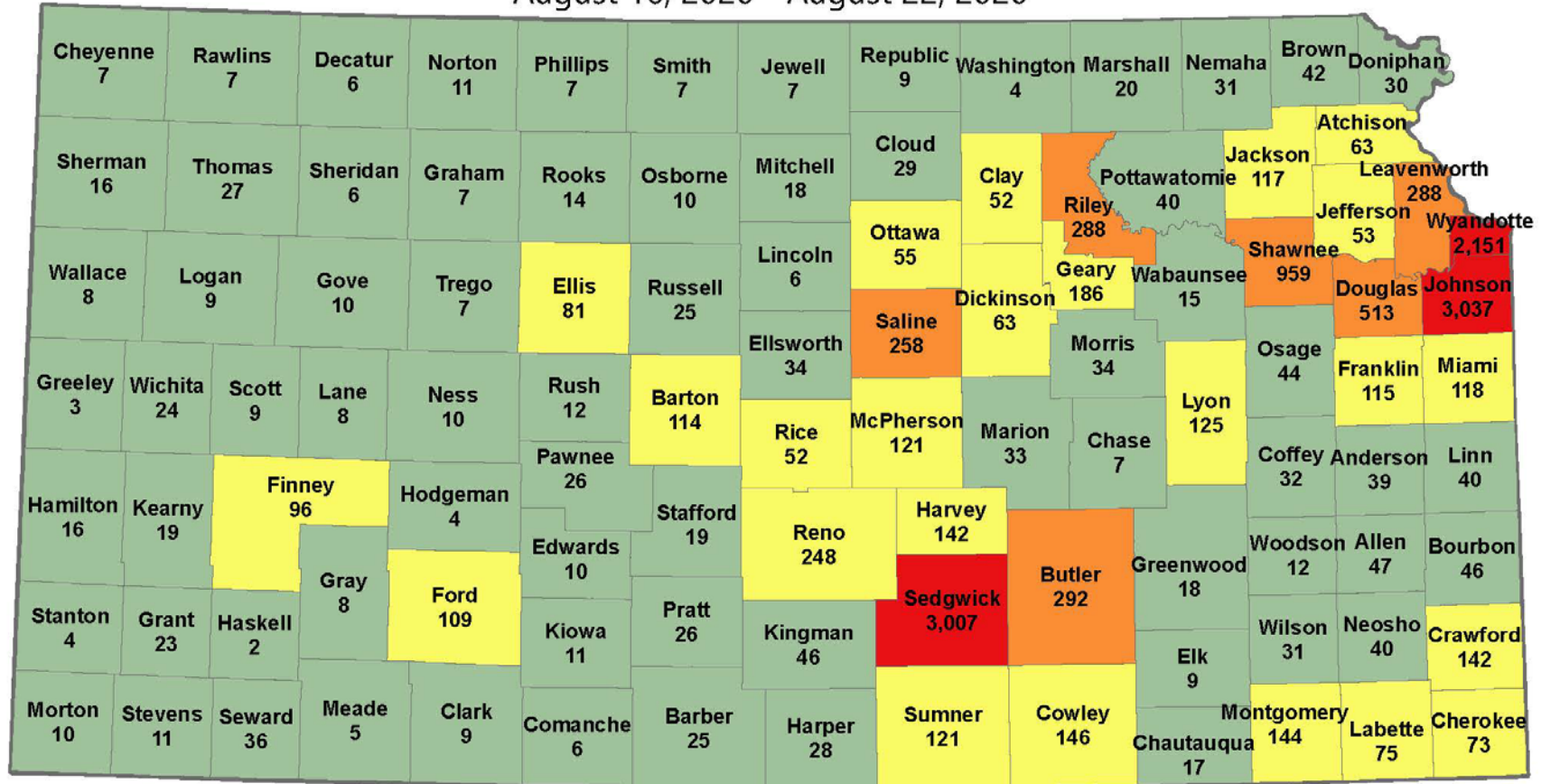
August 16, 2020 - August 22, 2020



\*Data represents the number of individual claimants living in Kansas receiving regular UI payment, including those on workshare. Claimants residing outside of Kansas are not included.

# Initial Claims Filed, by County of Residence

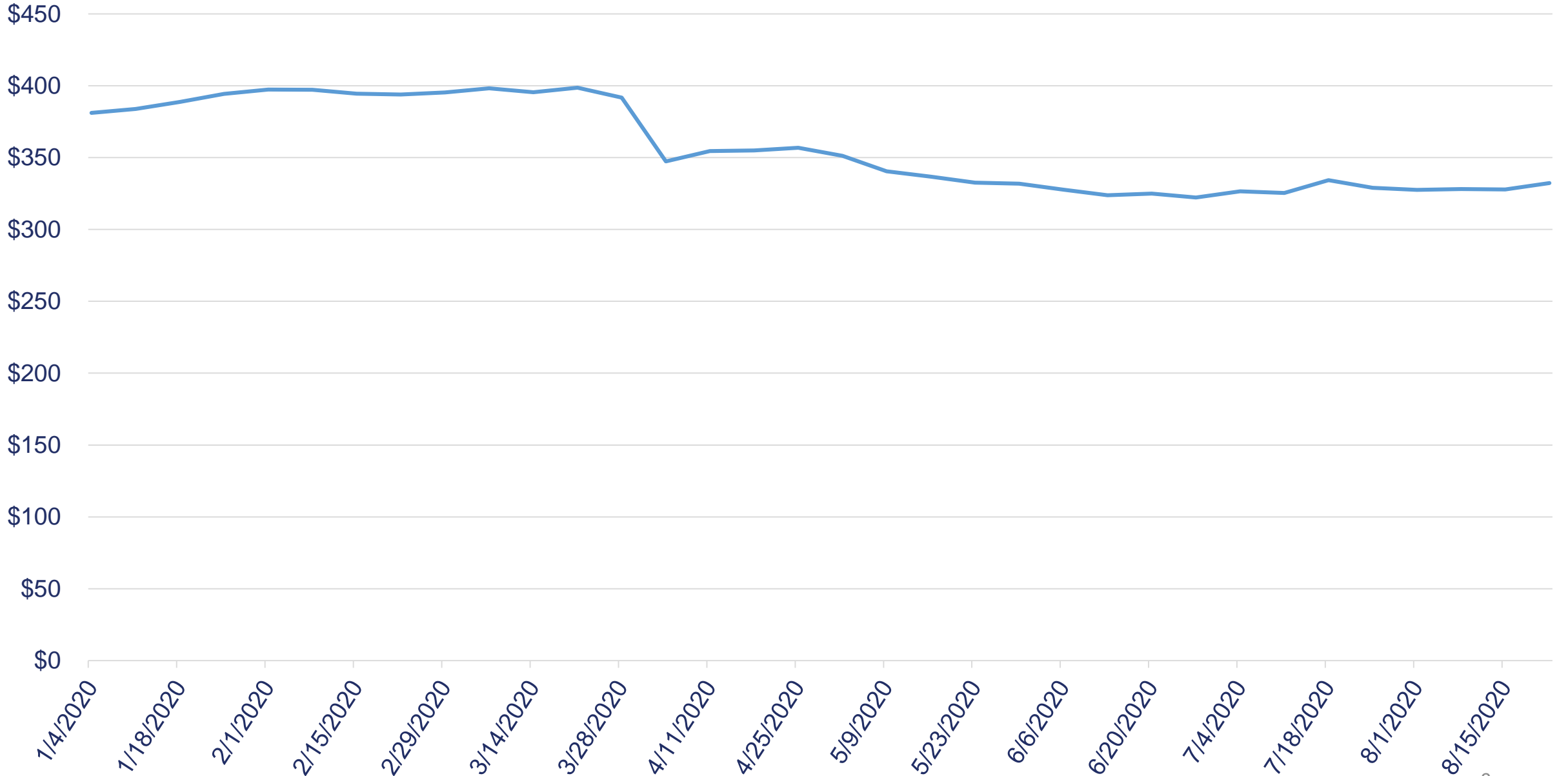
August 16, 2020 - August 22, 2020



\*Data represents the number of initial claims for claimants living in Kansas, including those on workshare. Claimants residing outside of Kansas are not included.

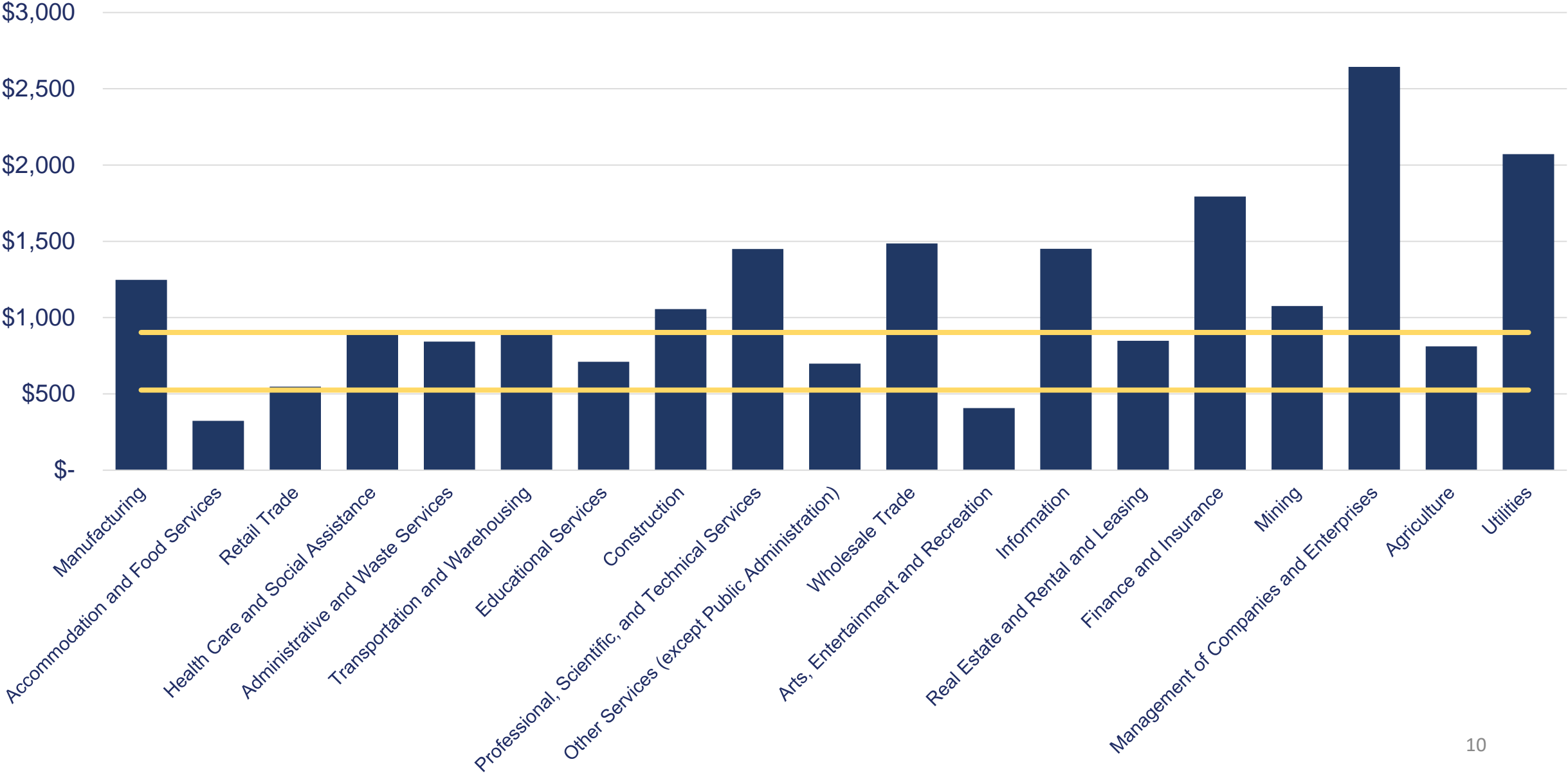


# Average Weekly Benefit Amount for Regular Unemployment



# Average Weekly Wage by Industry vs Kansas WBA + \$400 LWAP

Avg Wkly Wage
  KS Min WBA (\$125) + \$400
  KS Max WBA (\$503) + \$400



# **Lost Wage Assistance Program (LWAP)**

## ***\$300 Option vs \$400 Option***

- The President's intention is for states to provide \$100 through the CARES Act funds, matched by \$300 from federal funds.
- The \$400 option gets more money into the hands of Kansans and their local economies faster, and helps Kansans dealing with the effects of COVID-19 get the resources they need.

# **Lost Wage Assistance Program (LWAP)**

## ***\$300 Option vs \$400 Option***

- There is also an option to provide only \$300 additional to Kansans, using existing unemployment payments to cover the state's \$100 portion.
- This option does not require CARES Act funds or State Finance Council approval, and the state can pursue it without any action from the State Finance Council.

# Funding for LWAP

- Governor Kelly has proposed funding the State's portion with Coronavirus Relief Funds (CRF) received through the CARES Act.
- Current national estimates are that funding will only last for 3 – 7 weeks.
- KDOL estimates around 80,000 Kansans will be eligible for LWAP, costing the State \$7.6M - \$9.3M per week.

## \$400/week to Claimant

Federal (FEMA Disaster Relief Fund)	\$300
State	\$100
<hr/>	
<b>Total to claimant</b>	<b>\$400</b>

# Lost Wages Assistance Program (LWAP)

LWAP will end no later than December 27, earlier if:

- FEMA expends the \$44 billion designated;
- The total balance in the account decreases to \$25 billion;
- Legislation is enacted that provides similar compensation for unemployed individuals.

# LWAP Implementation

- Application to FEMA in process; IT development has started.
- Earliest LWAP payments expected to begin in Kansas is late September.
- Implementation costs can not be paid using existing federal administrative funds.
  - States will receive 5% of LWAP grant to fund administrative costs. States must provide a 25% match of that funding.

**QUESTIONS?**

