### **Summary of UI Provisions in the HEALS Act**

#### **Overview**

The HEALS Act provides an additional \$200 per week to the unemployed in August and September, then requires states to switch to paying 70% of lost wages instead in October through December.

# August and September: Additional \$200 per Week

- This bill provides \$200 per week through September, picking up immediately when the \$600 ended (week of July 19).
- At the median hourly wage (\$19/hour), this provides a bit more than 70% wage replacement on average across states, although the percentage of wages replaced varies (lower in states with low benefits, higher in states with high benefits).

## October through December: Replace 70% of Lost Wages

- States would pay an additional amount so that state UI benefits plus the additional replaces 70% of wages—but the additional amount could not be more than \$500.
- This means those who lost jobs making up to \$26/hour would get 70% of their wages (the replacement rate then drops in states with relatively low UI benefit caps).
- States can get to 70% wage replacement by using the formula in the bill, or by working out a different approach with the Secretary of Labor that gets to the same outcome.
- States could get a waiver to continue paying \$200 for up to two months if they can't pay 70% of wages by October.

#### Other Provisions

The bill also does the following:

- Prevents further layoffs by reducing UI costs for nonprofits and state and local governments by increasing the federal reimbursement to them from 50% in the CARES Act to 75%.
- Prevents fraud by making sure those applying for UI are eligible, requiring self-employed workers who get benefits to prove that they've lost income within 21 days.
- Requires states to upgrade their UI systems to better handle surges in claims and better detect fraud.
- Helps families with financial needs in more targeted ways by reimbursing states for 80% of their increased costs of providing short-term help through the TANF program.