

## **The Back on Your Feet Act of 2020**

### **Section by Section Summary**

**Section 1.** This section provides the bill title, the Back on Your Feet Act of 2020.

**Section 2.** This section continues federal unemployment assistance for workers who are unable to find work or return to work safely, including the \$600/week supplemental benefit which is added to all unemployment benefits, pandemic extended benefits, and eligibility for self-employed and “gig” workers, through January 31, 2021.

The section also includes technical and transition rules to ensure that benefits do not terminate abruptly or disqualify workers from receiving means-tested assistance.

**Section 3.** This section provides one-time federal “Back on Your Feet Pay” in the amount of \$3,600 for workers who are able to return to work safely, to smooth their transition back to work and ensure that they can afford basic necessities until they get their first paychecks. The Back on Your Feet Pay would be paid by the state unemployment office at the time the individual reported that they were returning to work (which is when they would no longer receive unemployment benefits).

For states that meet the conditions to receive the administrative funding under Section 4, the full cost of the advance and any associated administrative costs would be paid by the federal government through January 31, 2021.

**Section 4.** This section provides an additional \$2 billion in administrative funding for states with reasonable policies around safe return to work and waiving overpayments when they were not the worker’s fault and recovering them would go against “equity and good conscience” (be very unfair or cause hardship), which could be used to upgrade information technology, hire and train staff, or for other costs associated with operations, especially speeding claims processing and payment.

For states that qualified for the funding, their share of the \$2 billion would be proportionate to the base funding amounts distributed to states for the operation of their unemployment programs for fiscal year 2020. The section also sets aside \$3 million for territories that do not operate regular unemployment programs, to be distributed in shares proportionate to territory population.

**Section 5.** This section requires states to waive overpayments in their Pandemic Unemployment Assistance programs for gig and self-employed workers if the overpayments were not the worker’s fault and recovering them would go against “equity and good conscience,” as many states already do in their state unemployment programs.

**Section 6.** This section requires states to report weekly to the Department of Labor (DOL) on any backlogs of processing applications for state or federal unemployment benefits and requires DOL to provide that information to the House Ways and Means Committee, the Senate Finance Committee, and the public. The section also requires states with processing backlogs to develop corrective action plans to address them, with technical assistance from DOL, and requires DOL to report on those quarterly to Congress and the public.