

N E W S R E L E A S E

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More federally extended benefits rolling out in California
Record number of 1099G forms itemizing taxable benefits received in 2020

Sacramento – In expedited efforts, the California Employment Development Department (EDD) is implementing the next phase of extended federal unemployment benefits this weekend that Congress approved and the President signed into law on December 27. Starting Monday and stretching out over a two week period, Californians out of work or working reduced hours in this historic pandemic will be able continue on or file new claims for expanded Pandemic Unemployment Assistance (PUA) and Pandemic Emergency Unemployment Compensation (PEUC) extension benefits. They will also receive the new extra \$300 Federal Additional Compensation (PAC) payments with their weekly benefits.

“As the EDD has done in expediting the first new federal \$300 supplemental payments for Californians and their families during this difficult time, we are committed to implementing these extended benefits as quickly as possible,” said new EDD Director Rita Saenz. “Since Sunday, the EDD has issued a total of more than \$138 million in supplemental payments to about 461,000 claimants in need.”

The extra payments were first added to each week of regular Unemployment Insurance (UI) or FED-ED extension benefits that impacted workers were collecting and will now be phased in for weeks of PUA and PEUC benefits claimants receive for weeks of unemployment starting December 27 (covering the week that the bill was signed by the President) through the week ending March 13. The EDD will let claimants know via email, text, or mailed notices when they can certify for benefit payments under these programs.

The upcoming second phase for the expansion of PUA and PEUC will include those who exhausted their claims for these benefits **prior** to the end of the federal CARES Act but now could become eligible for the new additional 11 weeks of benefits starting with the week of December 27. The EDD encourages claimants to look for messages from EDD and monitor our [Federal Provisions for Unemployment webpage](#) for details on these benefits and updates on when that programming will be complete along with other developments.

There are a few new provisions to be implemented for the PUA program intended to support business owners, the self-employed, independent contractors and others who don't qualify for regular UI but were impacted by one of the federally-accepted COVID-19 reasons. Those provisions include:

- A new federal requirement that current PUA claimants and individuals applying for a new claim will need to submit proof of employment or self-

employment. States are awaiting further guidance from the U.S. Department of Labor on how to implement this provision.

- The EDD is also awaiting guidance on how to implement a provision for waiving certain PUA overpayments for those claimants who incorrectly received benefits through no fault of their own and where repayment would be against “equity and good conscience.”

Resolving old backlogged claims

As of January 6, 92.5% (1,521,498) of the 1.6 million claims identified by the EDD Strike Team in September to be backlogged have been resolved. That includes Initial Claims and Continued Claims where first or further payment is pending past 21 days. Of the remaining claims, most are either pending EDD’s assessment of a potential overpayment, which doesn’t prevent payment, or EDD is waiting on a certification from the claimant required for payment. The EDD has reinstated a 30 day window for claimants to certify for a first payment to help speed processing. The timeframe was expanded to 120 days earlier in the pandemic but is no longer necessary, although EDD does continue to outreach to claimants to ensure they are well aware of the certification requirement.

The EDD is on track for resolving the initial backlog established in September in the next few weeks as pledged. Status on these older claims included with more recent ones appear in these [two separate backlog dashboards](#).

Issuing a Record Number of Forms 1099Gs for Claimant Taxes

Because of the historic demand for unemployment benefits during this pandemic, EDD estimates it will issue 7.8 million Form 1099Gs for claimants who collected benefits from any taxable claims during the previous year 2020 – over five times the 1.5 million 1099Gs issued the previous year. This figure of total claims **paid** differs from the total of 18.8 million claims **processed** because the bigger figure includes an individual’s reopened, PEUC and FED-ED claims, along with those found ineligible for benefits last year.

We anticipate many recipients will have questions and to help address their needs, including potential cases of identity theft, EDD is increasing the staff available in our specific contact center for this annual process.

The Form 1099G summarizes all unemployment and Paid Family Leave benefits paid which are taxable by the federal government but not at the state level and will start arriving in the mail next week for those who did not opt-in for an electronic copy only. Claimants are encouraged to visit EDD’s [Tax Information webpage](#) for more information.

Latest Claim Activity

A total of 18.8 million claims have been processed by EDD during this historic pandemic for various unemployment benefits to support California workers and their families. The latest available unemployment claims and trends data can be found on the [EDD’s online Newsroom](#).