

N E W S R E L E A S E

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February 18, 2021

News Release No.: 21-11

EDD Update on Unemployment Benefit Numbers

Sacramento – Claims for unemployment benefits in California continue at historic levels with the California Employment Development Department (EDD) processing an additional 268,000 various unemployment claims last week. Since March 2020, the EDD has processed a total of 20.3 million claims and paid a total of \$122 billion in unemployment benefits to support impacted workers and their families.

Identifying eligible claimants within suspended claims

The EDD continues to work through the 1.4 million claims that were run through additional fraud criteria and suspended until identity or eligibility could be verified. Individuals associated with approximately 1.1 million of these claims were sent emails to their own UI Online accounts with instructions to verify their identity through ID.me. As of February 15, records show approximately **454,000** of these individuals, or about 42 percent of the 1.1 million, never opened their messages and have not taken any necessary action. EDD continues to send them reminders to reply promptly or face disqualification.

Here is a breakdown of the remaining approximately **631,000** individuals, and the actions taken by 558,000 of them who have started the verification process through ID.me:

- Approximately 409,000 were verified through ID.me, most using the online self-serve option.
- Approximately 10,000 recently started the process and haven't completed it yet.
- Approximately 71,000 abandoned or were unsuccessful in verifying through ID.me
- Approximately 67,000 are known or suspected fraud based on ID.me criteria.

To date, those verified through ID.me amount to about 38 percent of the 1.1 million claimants directed to validate their identity. It can take 7-10 days after identity is validated to ensure other eligibility requirements are met and issue payment. Another 100,000 of the 1.4 million individuals with suspended claims didn't have a UI Online account and were mailed paper requests for identity verification.

The remaining 200,000 individuals associated with the 1.4 million suspended claims are required to complete an eligibility questionnaire or are receiving disqualification notices with appeal rights.

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EDD will continue to assess results of the additional fraud screening and refine processes moving forward. With ID.me and additional cross-matches being done at the application point, EDD believes such fraud screening on past claims will no longer be necessary as we focus on keeping benefits out of the hands of scammers and into hands of California workers truly in need – providing them the valuable assistance they deserve.

Assistance available as claimants near the end of their 12-month benefit year

As we near the one-year mark since the start of the historic pandemic, many workers first hit by the economic impacts are coming up on the end of their benefit year on their initial regular Unemployment Insurance (UI) claim. For many claimants, this means they may have to apply for a new claim. But thanks to the federal Continued Assistance Act, the EDD will be able to keep others on a claim offering the highest weekly benefit amount.

These individuals are those still collecting Pandemic Emergency Unemployment Compensation (PEUC) extension benefits when they ran out of benefits on their regular UI claim. At the end of their 12-month benefit year, the EDD is required to first check if the individual has made enough in any intervening wages over the year to qualify for a new regular UI claim. If so, EDD would normally have to move the individual from the current extension claim to a new UI claim, even if the wages earned would only support a lower weekly benefit amount on that new claim.

However, as a result of the Continued Assistance Act, while the EDD must still check for the new regular UI claim eligibility and send a *Notice of Unemployment Insurance Award* to the claimant, qualifying claimants will see a second notice follow – a *Notice of Eligibility to Remain on Pandemic Emergency Unemployment Compensation Extension*. This would apply to claimants whose regular benefit year expired sometime after December 27, 2020 and whose PEUC weekly benefit amount is at least \$25 higher than what a new regular claim amount would be. Starting next week, these individuals will be allowed to collect all available PEUC benefits before being moved to the new regular claim later.

Common questions regarding benefits during tax season

EDD continues to support claimants during the annual tax season in providing valuable resources, including FAQs, video, and handy guides on our [Tax Information webpage](#), along with representatives to answer questions from those who may be receiving a Form 1099G with an amount they disagree with or they suspect fraud. Unemployment benefits are taxable at the federal level, not by the state, and the Form 1099G provides the amount of benefits paid in the previous year.

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Our EDD representatives report these are the two most frequent reasons Californians are calling:

1. I don't agree with the amount on my Form 1099G.

During a stressful period of unemployment, information may be easy to miss. Many people are surprised by the fact that ALL unemployment benefits are taxable by the federal government, including the federal \$600 Pandemic Additional Compensation (PAC) payments added to benefits earlier in the pandemic as well as the extra \$300 federal Lost Wages Assistance payments later in the year.

The 1099G will reflect the full total benefits paid, along with any federal tax they withheld or child support they may have had to pay which is why the 1099G amount may be larger than the benefits deposited through the course of their claim.

2. I repaid UI benefits in 2020 but I don't see that reflected on my Form 1099G.

Due to unusually high claim volumes, repaid benefits may not be reflected on an individual's Form 1099G. Claimants are encouraged to contact EDD online via [AskEDD](#) and select the Form 1099G category, or by phone at the designated Form 1099G contact center, 1-866-401-2849 - available Monday through Friday from 8:00 a.m. until 5:00 p.m. The EDD will confirm if payment was received in 2020, and will issue a corrected Form 1099G.

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