EDD Takes Further Action to Speed Unemployment Benefit Payments

SACRAMENTO—The Employment Development Department (EDD) today announced that it will begin paying unemployment insurance claimants who certified for benefits and already received at least one week of benefits in the past, but whose payments have now been pending for at least two weeks.

This new conditional payment program, which is consistent with recent federal guidance from the U.S. Department of Labor, benefits people with a continued claim who previously had at least one payment but then went into a pending status for more than two weeks. This pending status occurs for many reasons, such as a claimant’s answer to a biweekly certification question that triggered the need for an eligibility interview.

“We know many claimants who cleared fraud filters and verified identity have been waiting too long for payment,” said EDD Director Rita Saenz. “In response, we are launching a new program that will help many Californians get benefits faster.”

The Department will begin sending notices this week to claimants who will benefit from this pay-now policy. Payments will be reaching claimant accounts starting July 23, 2021 and over the following weeks. While the Department determines eligibility, claimants should continue to certify for benefits if they remain unemployed or working reduced hours. The fastest way to certify is through UI online. EDD will continue to pay conditional benefits so long as claimants continue to certify.

Claimants who are paid conditionally under this new program must still be found eligible for unemployment benefits. The Department will be sending notices to these claimants to explain this requirement. Claimants should still participate in any eligibility interview and answer any questions from the Department regarding eligibility.

Due to the unprecedented increase in claims during the pandemic, including the rise in new claims after the end of the benefit year, the Department is now scheduled weeks out for eligibility interviews with some claimants. Today’s move helps ensure the Department continues to pay claimants who already cleared fraud filters and identity verification and certified they are eligible for benefits.

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Any benefit paid during EDD’s eligibility review will be an overpayment if the Department later determines the person did not meet eligibility requirements. An overpayment can be waived if the claimant demonstrates a financial hardship and the overpayment was not the claimant’s fault or due to fraud. While there is no ability to opt-out of the conditional payment program according to federal guidance, claimants can stop certifying for benefits if they no longer want to receive benefits.

Further updates and information about the conditional payment program will be posted on the Claim Status webpage.

EDD has taken a number of steps to improve customer service and speed payments this year. The Department is making multi-million dollar investments in multi-lingual services and launching programs to help staff research and resolve issues more quickly. Other actions the Department has taken to improve the customer experience include: running the call center 12 hours a day, seven days a week; calling customers directly from the remote virtual call center to seek clarifying information and resolve claims; and allowing callers to hold their place “in line” at the call center, eliminating the need to wait on hold. Through these and other efforts the Department has paid over $45 billion in benefits this year.

**Requirement to Look for Work**

Californians receiving unemployment benefits should be looking for work to maintain their eligibility. The Department has begun mailing individual notices to claimants in phases this month informing them of their specific, individual work search requirements that apply to their claim. Those collecting benefits on a regular unemployment insurance or extension claim will receive notices first. Notices will then start being mailed the week of July 25 to those collecting Pandemic Unemployment Assistance (PUA) and Federal-State Extended Duration (FED-ED) benefits.

The requirement to search for work—and the potential to be found ineligible for benefits for a failure to search—begins when claimants get these individualized notices by mail with the specific work search requirements. The precise work search requirements for an individual claimant depend on state and federal law and the type of claim a person is on.

Individuals can determine the type of claim they are on by referring to EDD notices or visiting the new Returning to Work webpage for tips on how to identify their claim types in UI Online. EDD has posted fact sheets about the work search requirement in Armenian, English, Korean, Simplified and Traditional Chinese, Spanish, Tagalog, and Vietnamese on the Returning to Work website.

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Strengthening Debit Card Security

EDD continues to work with Bank of America to ensure continuity of debit card services for the provision of unemployment, disability, and Paid Family Leave insurance benefits, and enhance the level of security involved with these payments. Beginning on Sunday, July 25, the bank will start rolling out new chip-enabled debit cards by issuing them to new claimants as well as to those in need of replacements for lost, stolen, damaged, and expiring cards.

Debit cards are good for three years from the date of issuance. The new chip-enabled cards will look a bit different from the current debit cards used for benefit payments and are being phased in to help minimize cardholder disruption, since the new card will come with a new card number which could impact automated payments a cardholder has established. New cards can take up to 7-10 days to arrive via mail.

Chip-cards can help safeguard in-person point of sale transactions where the card is used in a terminal. Cardholders who need to report a lost or stolen card can use Bank of America’s self-service options by calling 1-866-692-9374, or request a replacement for a damaged card at bankofamerica.com/eddcard. Claimants who suspect any fraud related to their card account are encouraged to contact Bank of America at 1-800-558-9226 to speak to a fraud specialist 24 hours a day, 7 days a week.

EDD’s Debit Card webpage has information about debit cards, including frequently asked questions.

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