EDD preparing for extension of federal CARES Act unemployment benefit provisions

SACRAMENTO – On December 21, 2020, Congress passed legislation which would extend federal unemployment benefits that are set to expire after December 26, 2020.

If signed into law by the President, the Employment Development Department (EDD) cannot implement the new programs until it receives guidelines from the U.S. Department of Labor (DOL) describing how the states will be required to follow the law. However, EDD is making program adjustments with what information is available so when federal guidelines and details become available, EDD can complete the necessary programming to make these new benefits available as soon as possible.

As of December 24, 2020, legislation passed by Congress extends and expands the federal unemployment benefits:

- Restores the federal supplement to recipients of all state and federal unemployment benefits, which will provide $300 per week of additional benefits for weeks beginning after the date of enactment through March 13, 2021.
- Extends the Pandemic Unemployment Assistance (PUA) program by 11 weeks, providing up to 57 weeks of benefits.
- Extends the Pandemic Emergency Unemployment Compensation (PEUC) program by 11 weeks, providing up to 24 weeks of benefits.
- Allows up to an additional 7 weeks of federally-funded Federal-State Extended Duration Benefits program (FED-ED) through March 14, 2021, providing up to 20 weeks of benefits for those who qualify.
- Provides a supplement of $100 per week to certain “mixed earners” who received at least $5,000 a year in self-employment income but were eligible for regular state unemployment, not Pandemic Unemployment Assistance.

If Congress and the President do not extend the PEUC and PUA programs, both programs will end on December 31, 2020, with the last payable week for these benefits ending on December 26. If these programs were to expire, claimants would not be able to continue to certify for them.

Please continue to check the federal CARES Act webpage on the EDD website for updates and additional details on the new legislation passed by Congress.
Tax information now available through secure electronic option

Last week EDD began sending messages to Californians who have received Unemployment Insurance (UI) or Disability Insurance (DI) benefits, and have UI Online (UIO) account, to provide them with an online option to get the required 1099G tax form for itemizing benefits received. While California does not tax EDD benefits, the federal government does.

With the IRS now allowing digital 1099G information instead of mailed forms, EDD is providing our claimants the option to go paperless. This provides a safe, secure, and efficient alternative to sending a paper form through the mail. But individuals must elect to opt-in and provide consent by December 27.

Customers who have access to their UI Online accounts will receive a message in their UIO inbox that contains information about the new Form 1099G electronic format.

- If a customer elects consent, the individual will be able to view their information electronically through an updated Form 1099G screen in January 2021.
- If a claimant does not consent to receiving their Form 1099G electronically through their UI Online Account, they will be mailed a paper copy of the form by January 31, 2021.

For more information about the annual 1099G process, visit Form 1099G: Taxable Unemployment Compensation FAQs

Latest Unemployment Claims Numbers

Since the onset of the COVID-19 pandemic, a total of 18.1 million claims for various unemployment benefits to support California workers and their families have been processed by EDD. According to the latest data, those claims amount to a total of $110 billion in benefits paid. The latest available unemployment claims and trends data can be found in the EDD’s online Newsroom.

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