

As one of California's largest state departments – almost 10,000 employees and more than 225 offices – the Employment Development Department (EDD) is a stabilizing force for Californians in times of need and transition. EDD provides billions of dollars a year in unemployment, disability, and Paid Family Leave benefits. EDD collects about 40 percent of the State's General Fund revenue, making it one of the largest tax collectors in the U.S. – second only to the Internal Revenue Service.

In 2024, EDD continued modernizing multiple benefit systems and processes to improve customer service and increase self-service options. These efforts enhanced customer service, improved efficiency, and strengthened EDD's commitment to helping workers, job seekers, and employers.

Federal Performance Metrics Show EDD Strengths

Based on lessons learned during the pandemic, EDD <u>implemented all 21 California State Auditor pandemic recommendations</u> for fraud fighting and operational improvements and took action to speed payments. In 2024, nearly 78 percent of unemployment claims met the U.S. Department of Labor's <u>prompt payment requirements</u>, exceeding the national average of 73 percent. <u>California also met the federal Payment Integrity Information Act requirement</u> to keep improper payment rates below 10 percent.

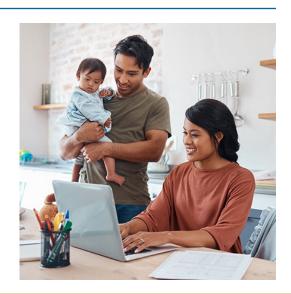
EDD also met or exceeded <u>federal acceptable levels of performance</u> for new employer status determinations in 2024. Performance improved and met at least 75 percent of the benefit payment performance requirements. EDD anticipates its ongoing investments in customer service and process improvements will continue this positive trend.

EDD <u>transparently posts unemployment payment information</u> on its online data dashboard.

Multiple Online and Customer Service Improvements

Through EDDNext, the Department works to modernize benefit systems and processes – taking action to improve EDD. The Department is improving the customer experience, empowering job seekers and employers, and ensuring security. In 2024, EDD continued improving customer service and delivering services based on what customers want.

In June, EDD successfully <u>launched direct deposit</u>, a safe, fast, and convenient way for customers to receive their unemployment, disability, and Paid Family Leave benefit payments directly in their personal bank



account. Over 75 percent of new EDD benefit customers now choose direct deposit as their preferred payment option.

Building on last year's launch of myEDD to improve access to benefits, EDD began rebuilding the contact center systems with modern tools and services in partnership with Amazon Web Services. In addition, EDD began to modernize its chatbot, simplify the unemployment benefit application, and more.

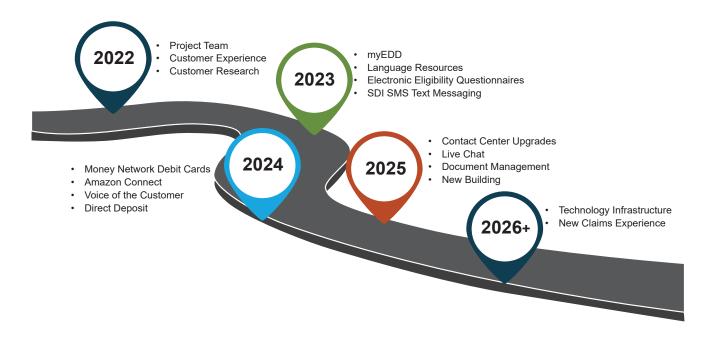
EDD made myEDD and the online unemployment application available in <u>California's eight most-commonly spoken languages</u>. In addition to English and Spanish, EDD customers can now complete their online application for unemployment benefits in Simplified Chinese, Traditional Chinese, Vietnamese, Armenian, Korean, and Tagalog. EDD customers can also manage their claims and receive text messages in their preferred language. EDD also simplified the online unemployment application by adding more straightforward explanations to technical terms, clarifying questions that many



people found confusing, reorganizing questions to improve the overall customer experience, and eliminating certain questions, making it easier to understand and faster to complete.

The new myEDD portal also helped customers who forgot their passwords to access their accounts. Over two million Californians were able to reset their passwords using a convenient, self-serve feature instead of having to call for assistance from EDD representatives – freeing EDD employees to spend more time addressing complex cases.

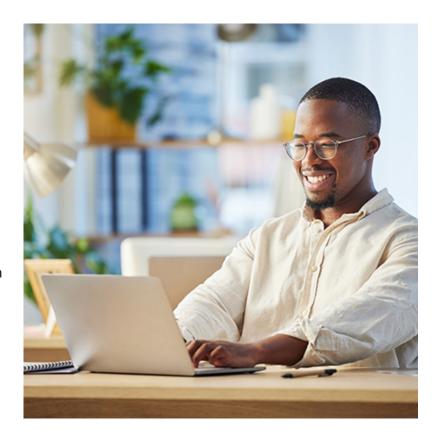
EDD stands out as one of the only state departments with a team dedicated to conducting customer research and collecting feedback. In 2024, EDD built on the success in the unemployment contact center and partnered with Amazon Web Services to implement call center technology like holding your place in line and getting a callback. EDD also expanded its <u>Voice of the Customer</u> program to include new survey options. Customers can provide their feedback when visiting the EDD website, at EDD offices, and by completing a telephone survey after speaking with an EDD representative.



Resolving Unemployment Eligibility Issues Faster

While the vast majority of unemployment benefits are paid quickly, some claims require customers provide more information. In the past, this required a scheduled phone interview with an EDD representative. This year, customers have been able to complete an online questionnaire quickly and conveniently.

EDD continued providing customers more convenient methods to respond to follow-up eligibility questions after applying for unemployment benefits. Customers can securely submit information and documents online rather than waiting for a phone interview or sending a form by mail. This



helps EDD gather the clarifying information needed and process benefit payments faster.

More than 60,000 customers have received online questionnaires instead of waiting for a phone interview. On average, eligibility issues are now completed in less than six days. In September, EDD expanded the online questionnaire to include information needed when a worker quits a job, is unavailable for work, or does not complete work search activities.

Technology Investments to Help Employers

As one of EDD's most complex systems – with over 100 interfaces with internal and external systems – the Accounting and Compliance Enterprise System (ACES) is the second largest tax processing system in the U. S., surpassed only by the Internal Revenue Service. In 2024, EDD migrated ACES to an <u>Amazon Web Services</u> (AWS) cloud solution.

ACES manages California's employment tax program for accounting, audit, collection, and data warehousing activities. It processes over \$110 billion in annual payroll tax filings from California businesses and supports over 1.5 million active employers with self-service tools like e-Services for Business and Express Pay where employers can securely manage payroll tax accounts.

These investments in AWS' cloud service increased security, improved customer service, and made ACES more resilient and scalable to meet the evolving needs of California businesses.

Celebrating 20 Years of Paid Family Leave

In 2024, California celebrated 20 years of successfully administering the nation's first Paid Family Leave (PFL) program, which helps workers when they need to take time to care for loved ones. The program has delivered nearly \$16 billion to help more than 4.3 million workers over the past two decades.

To celebrate these achievements, EDD held a family

resource fair at the State Capitol in Sacramento with a network of community and state organizations that serve California families. EDD also released a special report highlighting the benefits of PFL for working families. These stories were also showcased in a new video, <u>Celebrating 20 Years of Paid Family Leave (YouTube)</u>.

EDD also continued expanding access to PFL benefits in 2024 through new outreach initiatives to help more Californians learn about the program and how to access it. These efforts included multilingual resources and targeted messaging to underserved communities.



More than half of California residents speak a language other than English at home. To effectively reach them, EDD has invested heavily in multilingual outreach statewide and at the community level.

EDD further expanded language access options in 2024 in the <u>myEDD</u> online portal and <u>Ul Online</u>. People can now apply in all eight of the top spoken languages of working-age adults in California – Armenian, Korean, Tagalog, English, Spanish, Simplified Chinese, Traditional Chinese, and Vietnamese.

Unemployment customers also now receive updates about the status of their claim and payment notifications via email or text message in their preferred language.

EDD also <u>increased its website's translated content</u>, to include vital information about all EDD programs, forms and publications, and contact information as well as providing access to interpreters in over 200 languages at no cost. EDD published multiple new helpful <u>how-to videos for UI Online</u> in different languages.

The Department also participated in more than 10 community-based events-attended by nearly 150,000 Californians – to raise awareness about benefit programs. Through increased outreach, EDD boosted public



awareness of benefit programs and reached nearly 16 million people. EDD also increased communications to nearly 250,000 subscribers to its social media channels. This <u>includes a new video</u> about the breadth of EDD programs and services.

The California Government Operations Agency, recognizing these important investments, interviewed Katrin Charmahali who works at EDD's contact center in Inglewood, California to ask about EDD's multilingual services. During the interview, she discussed how offering services in-language helps improve customer service.



Helping Employers and Businesses Thrive

In 2024, EDD expanded and enhanced its outreach with California employers, including hosting dozens of nocost payroll tax webinars – a valuable resource that helps businesses understand and meet payroll tax obligations – and attending outreach events across the state.

EDD held 85 tax seminars in 2024 that helped more than 4,600 business leaders and employers. EDD partnered with the Internal Revenue Service and Department of Industrial relations to also hold collaborative seminars on payroll taxes and labor law. Seminars were hosted in English, Spanish, and Chinese. 92 seminars are <u>already scheduled for 2025</u> along with six special outreach events.

EDD also sponsored multiple standalone seminars to meet the diverse needs of California businesses including courses on basic payroll tax, the cannabis industry, employment status, and preparing for an employment tax audit. These seminars helped hundreds of businesses across California.

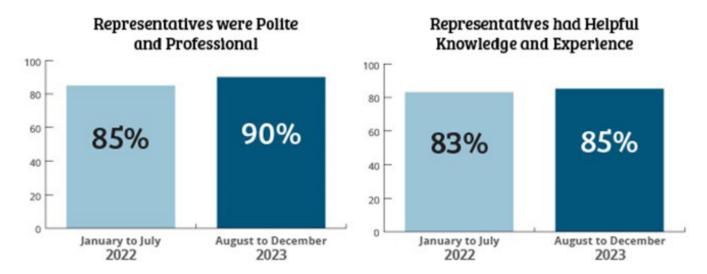
EDD also participated in 29 special outreach events across California with government agencies, business and community organizations, and employer associations. This included multi-lingual events for Vietnamese, Chinese, Korean, and Spanish-speaking communities. Together, these events had over 140,000 attendees. EDD hosted information booths at outreach events for Spanish and Chinese-speaking businesses.

Customer Satisfaction Surveys Show Steady Improvement

EDD engages in robust customer satisfaction research to measure performance and identify areas for improvement. In 2024, EDD expanded the availability of after-call surveys for benefit program contact centers to see how satisfied customers were after speaking with an agent.

From August 2023 to December 2023, 90 percent of customers calling EDD's unemployment customer service line said the representative was polite and professional, up from 85 percent between January 2022 and July 2022. EDD customers said that 85 percent of the Department's representatives had helpful knowledge and experience, up from 83 percent last year.

Survey results remained especially positive for EDD's dedicated, multilingual service lines for the unemployment program. Over 95 percent of customers using the Spanish-language line found the representative polite and



professional, and 93 percent said their representative had helpful knowledge and experience. Of the customers using the dedicated Armenian, Cantonese, Korean, Mandarin, Tagalog, and Vietnamese language lines, 93 percent reported their representative was polite and professional, and 93 percent said the representatives had helpful knowledge and experience.

These results were consistent with the <u>positive</u> <u>trend</u> EDD saw in its most recent annual customer satisfaction survey. Seventy-eight percent of customers surveyed in 2023 were completely or mostly satisfied with the unemployment benefits process – up from 69 percent in 2022 and the highest percentage reported in the last four annual surveys. Ninety-one percent of respondents who used UI

Online rated opening or reopening their claims as very easy or somewhat easy, a nine-point increase.

EDD also expanded its <u>Voice of the Customer program</u> to include new surveys as another key way of collecting important customer input. Starting in June, customers were able to provide feedback on their experiences when <u>visiting an EDD office</u> or using EDD's website. Surveys are also available in the EDD Tax offices and about 60 of the State's <u>America's Job Center of California offices</u>.

EDD's dedication to innovation and customer service was recognized with 15 awards at the 2024 California Government Innovation Summit. EDD team's hard work and commitment to excellence resulted in exceptional achievements across various categories.



Helping Veterans and Military Workers

EDD's Labor Market Information Division collects and analyzes labor force trends, unemployment rates, and other key statistics for the State and California's veteran's population. <u>Interactive charts provide key labor force trends</u> for veterans, and <u>useful career resources</u>.

In October 2024, 1.3 million veterans were living in California – 7.3 percent of the nation's veterans. Approximately 516,500 California veterans were employed, with the majority working in occupations related to previous military experience.

EDD's <u>California Veterans in the Workforce</u> report detailed how employers benefit from veterans' contribution to the workplace. Local EDD employment representatives at <u>America's Job Center of California</u> provided job and career assistance to veterans and veteran representatives worked one-on-one to help veterans facing barriers to employment.

EDD also updated customer-facing systems to help federal, military, and out-of-state California workers apply online for unemployment benefits. The online option speeds claim processing, simplifies wage verification with the federal government, and helps ensure applications are completed properly.

Enhancing Customer Service at Disability Insurance Contact Centers

Last year, EDD added <u>text message updates</u> for Disability Insurance in addition to those for Paid Family Leave (PFL) claims. The new text messages proactively update benefit customers about their claim status. Messages include application confirmations and the status of medical certifications for disability claims.

In 2024, EDD continued working with Amazon Web Services to modernize its contact centers, which coordinate EDD's electronic and telephone communications, and transform the EDD customer and employee experience. The Department then



successfully transitioned all disability calls to the modern contact center platform.

This Integrated Contact Center project uses the Amazon Connect platform to better enhance communication and streamline service. Customers are now placed on a "virtual" hold with estimated wait times and opportunities to have an agent call back. With the modernized platform, EDD is now able to extend new, self-service options to all disability customers. Customers will soon be able to check the status of their claims and payments without waiting to speak to a representative.

Future self-service enhancements for callers will include the ability to certify for continued benefits, report the arrival of a new baby, report a return-to-work date, and more.

Holding Fraudsters Accountable

With identity theft remaining a nationwide threat, EDD continued to warn customers about aggressive phishing schemes designed to steal personal information. EDD's Help Fight Fraud webpage contains useful information about how Californians can guard against identity theft and report suspected fraud.

In close coordination with Fraud Special Counsel McGregor Scott, EDD has recovered more than \$6 billion in stolen funds – with more to come. This exceeds even typical fraud recovery rates for private insurance companies in California. EDD posts information about its fraud-fighting efforts on the EDD's Response to Fraud webpage.

Empowering People to Find Good Jobs

EDD administers <u>innovative grant programs</u> to help Californians facing employment barriers get important training and resources to secure good jobs.

For example, EDD invested millions of dollars from the <u>Dislocated Oil and Gas Worker Fund Program</u> to help workers leverage skills and transition to new industries. EDD also awarded funds to organizations focused on <u>enhancing services for people who are deaf or hard of hearing and migrant and seasonal farmworkers</u>. EDD also launched the <u>Farmworker Advancement Program</u>, to offer essential skills and opportunities to farmworkers.

EDD also made significant investments in <a href="https://helping.com/helping.

Modernizing Document Management

In 2024, EDD processed over 9 million paper documents from EDD customers and businesses. EDD's Document and Information Management Center uses advanced technologies to process mail, scan and store this information, process transactions, and much more. EDD is taking action to continue modernizing these systems to ensure it provide the best possible services to its customers.

At any given time, EDD processes up to 400 different forms from customers and currently 60 percent of these do not benefit from document management technology. The new investments allow EDD to automate this process and save time for its customers. The goal is to improve the customer and employee experience by digitizing and streamlining manual processes, automating workflows, and reducing manual data entry. EDD employees will be able to spend more time helping customers and less time manually processing paperwork.

2024 California Jobs Market Briefing

In recognition of Labor Day, EDD released the annual <u>California Jobs Market Briefing (PDF)</u> with data on high-demand jobs and information about many programs and services that help connect job seekers with hiring employers.

EDD also published its <u>2024 Stronger Jobs</u>, <u>Stronger Communities feature page</u> showcasing the top five in-demand occupations in each of the State's 15 economic regions as well as infographics and videos that illustrate those occupations. The page contains information and tools to help job seekers find which industries are hiring.

In 2024, EDD made landmark investments to improve multilingual outreach and resources. The Department continued to implement the EDDNext project to modernize its benefit systems and enhance the customer experience. EDD continued to be a critical resource for California's workers and employers, implementing cutting-edge technologies, expanding services, and ensuring a more inclusive and equitable labor market. It furthered technology modernization, customer service enhancements, fraud prevention, and outreach to underserved communities. EDD will build on this momentum in the coming year to further improve its operations and customer service.