Employment Development Department Highlights Continued American Rescue Plan Launch, Recaps Helpful Information for Customers

SACRAMENTO–The Employment Development Department is ramping up its implementation of the American Rescue Plan, with millions of claimants continuing to receive federal unemployment benefits, and helpful information and tips for claimants posting online.

Last week, the Department announced that it is moving even faster than previously predicated to help millions of people continue to receive federal unemployment benefits. Those with exhausted Pandemic Unemployment Assistance (PUA) claims were able to certify for benefits beginning on March 28—faster than the previous Department target of April 10. Eligible residents may certify for their PUA claim on the EDD website.

All of the 1.2 million people collecting on a PUA claim and nearly half of the 1.4 million people collecting on an existing Pandemic Emergency Unemployment Compensation (PEUC) claim continue to receive payments without delay as long as they had a balance remaining on their claim on March 14 and otherwise remain eligible.

Unemployment Benefit Information Resources
EDD shares important and rapidly changing information about the federal unemployment benefits programs launched during this pandemic:

- Updates on implementation of the American Rescue Plan post on the Federal Provisions for Unemployment Page, including a chart of Federal Unemployment Benefits available during the Covid-19 Pandemic.
- A new guide, "Your Claim Type," on the Benefit Year End page to help people determine exactly what type of benefits they are receiving and what will happen next during the transition to the American Rescue Plan.
- A new "Understanding the Certification Questions" guide and video on how to certify for benefits every two weeks on the Certify for Unemployment Insurance Benefits page—expanded information that is already helping claimants avoid common mistakes and unnecessary delays when certifying their eligibility for benefits.
- Helpful information is posted on EDD’s COVID-19 page, including Frequently Asked Questions for both claimants and employers.

(more)
Customers are notified about any notable changes to the EDD website services on the Benefits program log-in pages and through the Department's social media accounts. Sundays and Mondays continue to be the heaviest days of the week for UI Online and SD Online website traffic, because of the certification for benefits process. Next week on April 7, UI Online will be offline 8:00 p.m. to 1:00 a.m. for scheduled maintenance to further implement the American Rescue Plan benefits programs.

The Department has also reduced its claims backlog, which the California State Auditor defines as claims pending EDD action for more than 21 days. By January 2021, EDD eliminated the 1.6 million in backlogged claims identified in the September strike team report. As of March 20, the backlog of claims pending Department action longer than 3 weeks is about 152,000, down nearly 43 percent from the 265,000 backlog during the week ending February 13.

In an effort to help the public avoid telephone hold times and repeated call attempts, the Department continues to boost online self-help options to help people without having to call, launched an online chatbot that answers common questions, launched a 24-hour automated self-service line, and continues to hire and train its workforce. Today more than 4,000 workers are helping claimants process unemployment applications with approximately 3,000 workers helping take calls.

However, even with added staff, agents cannot quickly answer the millions of calls that come in each week. The public is urged to review online self-help information and file and certify online whenever possible.

**Helping Claimants with 1099-G Forms and Other Tax Questions**

The American Rescue Plan contains a new provision that exempts some unemployment benefits received in 2020 from federal taxation. The IRS issued an initial statement on the federal law as well as instructions on how to report unemployment benefits income on the federal tax form, including the new tax exclusions. IRS has also said it will automatically refund money to those who filed their tax return reporting unemployment compensation before the recent changes made by the American Rescue Plan.

Last year criminals filed claims for unemployment benefits using stolen identities at an unprecedented rate. Unsuspecting Californians may receive a Form 1099-G from EDD, indicating a claim was made in their name, address, or Social Security number. Customers who have questions about the form or why they received it can visit EDD’s online Form 1099-G Information Center for more information, including information in multiple languages.
Anyone who receives a 1099-G from the EDD in which they don't agree with the total benefits listed or suspect identity theft should report this as fraud by going to Ask EDD, selecting “Form 1099G” and then choosing “Report Fraud.” EDD will investigate and issue a corrected 1099-G as appropriate.

IRS recommends the public save copies of whatever documentation they have regarding their attempts to get a corrected 1099-G from the state. EDD has a useful fact sheet on the 1099-G and potential fraud. The IRS has made clear that taxpayers who are unable to obtain a timely, corrected 1099-G should still file an accurate tax return, reporting only the income they received.

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