Employment Development Department Takes Action to Continue Helping Californians Access Extended Federal Benefits

Sacramento—Following state action in recent weeks to ensure millions of Californians continue to receive federal benefits under the American Rescue Plan, the Employment Development Department (EDD) today announced it remains on track to extend Pandemic Emergency Unemployment Compensation (PEUC) benefits starting this weekend.

The Department will begin on April 10, 2021, and continue to April 17, 2021 (up from the previous April 30 commitment), to phase in PEUC benefits for the approximately 700,000 Californians who are currently on this program and exhausted all their benefits. This means all claimants who exhausted their PEUC benefits and have been waiting for additional weeks will be able to certify for benefits starting Sunday. Those with non-exhausted, existing PEUC claims have already been able to collect benefits.

These Department actions, starting this weekend, mark the final phase of the rollout of expanded American Rescue Plan (ARP) federal benefits that have been helping millions of Californians:

1. **New PUA claims:** New claims for PUA benefits have continued to be paid at the minimum level of $167 per week, plus the extra $300 federal payment for eligible recipients. By April 10, claimants may become eligible for a higher weekly benefit amount based on income information reported on their application and it will automatically be applied retroactively.

2. **Existing and Exhausted PUA claims:** All of the 1.2 million people collecting on an existing PUA claim when the American Rescue Plan started are able to certify and receive payments if eligible. The Department rolled out this program on March 28—faster than the initial April 10 target.

3. **Regular or FED-ED claims:** Californians on regular state Unemployment Insurance (UI) or Federal-State Extended Duration (FED-ED) have continued to receive the extra $300 federal payment without interruption.

4. **Existing and Exhausted PEUC claims:** Approximately 47 percent of the 1.4 million collecting on an existing PEUC claim are already collecting benefits. The remaining approximately 700,000 claimants that exhausted all PEUC extension benefits will be phased in between April 10 and April 17—faster than the previous April 30 target—and can begin to certify for benefits this weekend.

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The extended federal benefits are attached to certain eligibility periods, and eligible claimants will be paid for those weeks—even if Department processing of those benefits comes later. Updates on the implementation of the American Rescue Plan are posted on the Federal Provisions for Unemployment Page.

Helpful Information for Claimants Reaching Their Benefit Year End

The massive expansion in federal benefits under the American Rescue Plan comes at a time when many Californians are also reaching the expiration of their initial claims for benefits. At the end of that benefit year, most claimants will need to reapply for benefits.

Those on a PUA claim do not need to apply for a new claim when they reach the end of their benefit year. Everyone else—including those with a regular state UI claim, a PEUC extension, or a FED-ED—must reapply for federal benefits if they are still unemployed once they reach the end of their benefit year. This is a requirement under state and federal law.

Individuals will be notified via email and text message, or mailed notice, when the new claim is processed, which may take up to three weeks. When reapplying, EDD will run claims through fraud screening and identity verification. Those already verified through ID.me are streamlined through the process.

Visit the Department’s Benefit Year End page and watch the Ask Eddy video on the YouTube Channel for more information about the benefit year end and what a claimant can expect from the process.

Continuing to Help Claimants Avoid Delays With Self-Help Guidance

As shown in trends in the new data dashboard, one of the large parts of the state’s existing backlog of work involves determining the eligibility of claimants—and the process will take longer when staff must conduct an eligibility interview in the future.

Every two weeks a claimant will answer a series of questions to confirm eligibility for benefits. A claimant’s answer to the eligibility questions can trigger an eligibility interview several weeks in the future and result in a pending payment status in UI Online until that interview occurs.

As previously announced, Questions #1 and #2 continue to cause some confusion for claimants regarding the requirement that they remain able and available to accept work if offered. In many cases this delay can be avoided by carefully answering the certification questions.

In an effort to help claimants avoid unnecessarily delays—and pending status—the Department continues to urge claimants to read and answer the eligibility questions very carefully and to review self-help information for guidance.

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This Help Text, along with guidance available in the Ask Eddy YouTube video and on the Department’s website, can help a claimant accurately answer the questions, while accounting for the unique circumstances brought on by the COVID-19 pandemic.

EDD recently launched an expanded online data dashboard to publicly report, in a user-friendly format, statewide and county-specific information about unemployment filings, benefits paid, pending applications, and information about call center activity. As of March 26, 2021, the Department has paid an average of 9.7 million claims a week and has paid nearly $20 billion in benefits this year.

**Tax Filing Updates and Help for Identity Theft Victims**
The federal tax deadline and the state of California tax deadline have been extended from April 15, 2021, to May 17, 2021.

The Internal Revenue Service announced that the first $10,200 of 2020 unemployment benefits are nontaxable. Those who received unemployment benefits last year and have already filed their 2020 tax return, should not file an amended return at this time because the IRS 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.

EDD offers a Form 1099-G online help center to assist Californians who receive unemployment compensation with tax preparation. The Form 1099-G reports the total taxable income issued by EDD in a calendar year and is reported to the IRS.

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. Anyone who receives a Form 1099-G from EDD in which they don't agree with the total benefits listed or suspect they are victims of identity theft should report this as fraud by going to AskEDD, selecting “Form 1099G,” and then choosing "Report Fraud." EDD will investigate and issue a corrected 1099-G as appropriate.

The IRS recommends that the public save copies of whatever documentation they have regarding their attempts to get a corrected 1099-G from the state.

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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