

N E W S R E L E A S E

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Employment Development Department Issues Unemployment Insurance Program Updates

The California Employment Development Department (EDD) today issued an update on its unemployment insurance program, including a further assessment of ineligible claimants during the pandemic and new opportunities for previously disqualified claimants to obtain benefits retroactively.

Pandemic Unemployment Insurance Payment Information

In January 2021, EDD confirmed \$11 billion in potentially fraudulent payments and began investigating an additional \$19 billion in suspicious claims. By October 2021, EDD reported approximately \$20 billion (11 percent of total benefits) in benefits were likely fraudulent, the vast majority in the federal Pandemic Unemployment Assistance (PUA) program.

Meanwhile, EDD has continued conducting hundreds of thousands of retroactive eligibility determinations on claims from 2020 and early 2021—the period when sophisticated identity fraud schemes attacked the nation’s unemployment systems—and continued to analyze its claims information.

EDD has identified approximately \$8.9 billion in unemployment insurance benefits from 2020 and 2021 that went to claimants who have not verified eligibility. The claims are situations where a claimant was found ineligible after requests to verify information, but not necessarily because of fraud.

When EDD determines a person was overpaid through no fault or fraud, EDD has authority to consider waiving those overpayments. EDD will offer opportunities to have the overpayment waived by showing financial hardship, detrimental reliance and other factors supported by law. Further details about that process will continue to post on the [EDD website](#).

In June 2022, the EDD submitted its final applications to the U.S. Department of Labor to request a blanket waiver to address non-fraud pandemic-specific determinations that may result in overpayments. This move followed California joining the National Association of State Workforce Agencies and [every state in the country](#) in calling for greater clarity about when states can allow claimants to keep benefits obtained through no fault of their own.

(more)

EDD's first priority remains recovering overpayments in cases of criminal fraud. Former United States Attorney McGregor W. Scott is now leading [a monumental effort to support the investigation and prosecution of criminals](#) who defrauded federal benefit programs—work that includes more than 1,580 criminal investigations and over 200 convictions. As of June 2022, \$1,109,195,018 in unemployment funds have been seized or recovered.

EDD will also continue its rigorous analysis of antifraud measures under [AB 138](#) to continue blocking billions of dollars in fraud attempts.

Pandemic Unemployment Assistance Reassessment Notices

EDD is preparing to again notify nearly 50,000 claimants who were previously denied one or more weeks of federal Pandemic Unemployment Assistance that there is a new, retroactive opportunity to obtain those benefits under expanded federal eligibility.

The Federal rules expanded eligibility for benefits to workers who refused to work for an employer that violated COVID-19 safety standards, school employees whose usual work schedule was affected by COVID-19, or workers laid off or who had hours reduced as a direct result of COVID-19.

Last year, EDD began notifying claimants through UI online of their potential eligibility under this expanded criteria. EDD sent approximately 53,000 claimants a reassessment claim form through UI Online. Nearly 10,000 responded of which 4,000 were found eligible under the new criteria. Now, EDD will mail notices to the 42,000 claimants who did not respond to the electronic notices and to approximately 5,780 claimants who were not registered in UI Online.

Those who were previously denied PUA benefits are encouraged to check their UI Online Account or mail in the weeks ahead to see if they may now be eligible under this expanded criteria. These claimants will be able to visit a “PUA Reassessment” section of the UI Online homepage to apply. They will need to confirm the date their business, employment, or self-employment was first interrupted as a direct result of the pandemic.

The federal PUA program was a new benefit program created by the federal government for the first time during the pandemic in 2020 to aid those who were not eligible for traditional state unemployment insurance, such as those who were self-employed or could not work because of COVID 19 or COVID 19-related impacts.

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