

N E W S R E L E A S E

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Many unemployed workers may see new limits on unemployment benefits available due to federal extension deadlines

SACRAMENTO – Approximately 454,000 people in California could experience a shortened total of Unemployment Insurance (UI) benefits available by the end of the year, and some may soon see an abrupt halt to their benefits, according to estimates from the United States Department of Labor. That’s the impact of current filing deadlines for federal unemployment extension benefits unless Congress quickly takes action to extend them.

The California Employment Development Department (EDD), which administers the UI program in California, is trying to make sure customers are aware that they may face a shortened supply of benefits than what they may have otherwise thought was available. Unless Congress takes further action, unemployment benefits will return to the maximum of up to 26 weeks of benefits on a regular state UI claim, instead of up to 99 weeks of benefits that have been available during the recession due to federal benefit extensions.

“We at EDD understand how critical unemployment benefits can be to unemployed workers, their families, and the businesses in their communities. New limits on benefits, especially just before the holidays, can be very difficult,” acknowledged EDD’s Chief Deputy Director Pam Harris. “That’s why we are working to keep our customers informed of developments concerning federal unemployment extension benefits.”

Based on historical data, the EDD estimates that up to 150,000 of the 454,000 total are currently certifying for benefits as part of the separate extension of benefits known as the FED-ED extension here in California. EDD is currently preparing to send notices to these customers to advise them that California may no longer be eligible for the FED-ED extension once 100 percent federal funding ends. That would prevent EDD from paying any further FED-ED benefits even if a customer is still unemployed and has a remaining balance on that claim.

The impacts without further action from Congress to push back filing deadlines on federal extension claims include:

- More recently unemployed workers collecting on a regular UI claim of up to 26 weeks and running out of those benefits anytime after the week ending November 20, 2010, will not have access to any federal extension benefits.

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- Those unemployed a little longer, currently collecting on a first, second or third tier of federal extension benefits and running out of that current tier of benefits anytime after the week ending November 27, 2010, will not be eligible to move into the next tier of extension benefits.
- Those currently collecting on the fourth tier of federal extension benefits and running out of those benefits anytime after the week ending December 4, 2010, will most likely not be eligible for the last extension of benefits known as FED-ED due to the pending end to the program in California.
- Those currently collecting on that last FED-ED extension of benefits will lose access to the remainder of their benefits. Unless Congress takes further action, the last payable week of FED-ED benefits will most likely be the week ending December 11, 2010, regardless of any remaining balance a customer may have on a FED-ED claim.

There are currently more than 1.4 million people in California certifying for UI benefits. Most claimants would be affected at one point or another by limits to the total of extension benefits available if no further congressional action is taken. How much of a limit they face or how quickly they could encounter an end to their benefits all depends on how long they've been unemployed and where they are in their claim.

Those more at immediate risk of experiencing disruptions in benefits are those who have either just run out of their regular UI benefits or current tier of extension benefits, or those who are nearing the end of such claims. EDD is maintaining a list of the claimants who have just run out of their regular UI benefits or one of the tiers of federal extension benefits. In the event Congress eventually extends the filing deadlines, EDD will automatically file further extension claims for these customers and notify them of the additional benefits for which they might then qualify.

However, while Congress may take further action in the future and extend the filing deadlines, there is no further discussion at this time about providing any additional weeks of benefits to the current potential 99-week maximum. As of November 29, 2010, approximately 254,000 unemployed workers in California have run out of all available unemployment benefits.

The EDD encourages our customers to closely monitor our Web site at www.edd.ca.gov for continuing developments on federal extensions. Customers can also sign up for our Twitter messages so they are alerted as soon as any new information is posted on our Web site.

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