EDD completes transition from checks to new EDD Debit Cards

1.1 million Californians receiving unemployment benefits switched to convenient cards for payments

SACRAMENTO – The massive switch from paper to plastic for Unemployment Insurance benefits (UI) is now complete as the state Employment Development Department (EDD) wraps up successfully issuing nearly 1.1 million debit cards in a monumental upgrade of convenience and security for Californians in need.

Since July 8, 2011, EDD and banking partner Bank of America (B of A) have issued 1,084,000 cards for UI benefits, often at the rate of 22,500 a day. Earlier this year, EDD began switching over the State Disability Insurance (DI) program and so far has issued 693,000 cards for those collecting DI and Paid Family Leave (PFL) benefits. The total number of claimants receiving the EDD debit cards for payments is now 1,770,000, most of those transitioned from the old system of mailed benefit checks to the new convenient debit cards.

“This unprecedented transition to paperless benefits is one of the largest pre-paid card roll-outs in the country,” said EDD Chief Deputy Director Pam Harris. “It modernizes the purchasing power of our customers and puts them on par with the rest of the buying public. More than 1.7 million Californians can now conduct their daily business with the convenient swipe of their EDD card, or through direct deposit to their own banking accounts, knowing their electronic funds are safe and secure.”

Quick facts:
- Since December 2010, when the first DI and PFL benefits began to be paid through the new debit card system, EDD has paid a total of $3.7 billion in benefits in these two programs.
- Since July 8, 2011, EDD has paid more than $2 billion in UI benefits through the new debit card system.

(more)
- A record $22.9 billion in total unemployment benefits (including federal extensions) were paid in 2010, along with approximately $4.3 billion in DI and PFL.

- Despite the new debit cards, a small number of EDD claimants may still receive paper checks due to eligibility requirements.

Benefits of the EDD Debit Cards include:
- No check cashing fees for customers without a personal bank account.
- Direct transfer options for customers who do have their own bank accounts.
- No fees with careful use of the card.
- Stability in the event of a disaster, avoiding mail disruptions that can occur with checks.
- Can be used everywhere Visa® debit cards are accepted. Customers can get cash at ATMs, point of sale terminals, and at any bank and credit union that accepts Visa.

The new EDD Debit Card℠ ushers in a new era of enhanced customer service at EDD, including Tele-cert and Web-cert, two new ways for unemployed individuals to submit their continued claim forms by phone or online.

Follow the latest news on the EDD Debit Card and other benefit updates at www.edd.ca.gov, where you can find an educational video on how to use the card and avoid fees, along with helpful tips and Frequently Asked Questions. Or you can track EDD and updates on Twitter or Facebook.

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