1.1 million unemployed Californians will be impacted if Congress and the President do not agree to continue federal unemployment extension benefits

SACRAMENTO – It appears Congress has reached an impasse on whether or not to reauthorize the federal extensions of Unemployment Insurance (UI) benefits. An estimated 1.1 million Californians will feel the impact if Congress and President Obama do not reach an agreement by the end of this year. In hopes of avoiding a cut off in benefits, Governor Edmund G. Brown Jr. has joined other Governors in urging Congress to renew the critical extension program.

Currently, California workers can receive unemployment benefits for up to 99 weeks, according to the California Employment Development Department (EDD), but if legislation is not passed to reauthorize the federal extensions, Californians will start to lose those extensions at the end of this year.

Some of the 1.1 million recipients currently certifying for benefits face a much faster cut-off of those benefits than others. That includes the more long-term unemployed who are currently collecting on the separate extension known as FED-ED here in California. The EDD estimates that’s about 100,000 people. Others who face a quick end to benefits are those who will be running out of their current regular UI or federal extension benefits just after January 1st. Without further Congressional action, once they run out of those current benefits there would no longer be any further extension benefits available.

But the majority of current claimants would still have a few weeks or months left on their current unemployment claim. Once those benefits run out, no further benefits would be available.

“We know unemployment is a stressful experience at any time, and we understand that the uncertainty surrounding the benefit extensions adds to that stress, especially during the holiday season,” said EDD Director Pam Harris. “We are committed to doing all we can to ease the anxiety of our customers by keeping them informed of the most recent developments in California’s unemployment benefits program. We are following the developments in Congress closely and relaying the latest information to our customers through EDD’s website, Facebook and Twitter accounts.”
The EDD, which administers the UI program in California, wants to ensure UI recipients are aware that their benefits could run out sooner than they thought. Unless the extensions are renewed, unemployment benefits will return to the maximum of up to 26 weeks on a regular state UI claim. In response to high levels of unemployment caused by the recession, Congress and Presidents Bush and Obama have extended benefits for the last few years to a maximum of up to 99 weeks for highly impacted states, which includes California.

If the federal extension program is allowed to expire at the end of this year, specific impacts 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 December 24, 2011, will not have access to any federal extension benefits.

- 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 December 31, 2011, 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 31, 2011, will most likely not be eligible for the last extension of benefits known as FED-ED due to the potential end to the program in California.

- Those currently collecting on the FED-ED extension will lose access to the remainder of their FED-ED benefits. Unless Congress and the President take further action, the last payable week of FED-ED benefits will most likely be the week ending January 7, 2011, regardless of any remaining balance claimants may have on their FED-ED extension.

While Congress and the President may take further action in the future and extend the filing deadlines, there is no discussion at this time about providing any additional weeks of benefits to the current 99-week maximum. As of December 19, 2011, approximately 585,000 unemployed workers in California have run out of all available unemployment benefits, including regular UI and federal extension benefits.

The EDD encourages our customers to closely monitor our website at www.edd.ca.gov and the EDD Facebook page 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 website.

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