California launches new federal Pandemic Unemployment Assistance program to help the self-employed and others impacted by COVID-19

Sacramento – Today, the California Employment Development Department (EDD) is launching the new federal Pandemic Unemployment Assistance (PUA) program to provide financial support to Californians who are out of business or whose ability to provide services has been significantly reduced as a direct result of the COVID-19 pandemic. This applies to business owners, self-employed, and independent contractors, along with those who have limited work history and others not usually eligible for regular state Unemployment Insurance (UI) benefits.

Workers are able to apply for the EDD’s Pandemic Unemployment Assistance (PUA). To help guide workers through application, the EDD is also launching a new “Guide to applying for unemployment benefits in California” page. The guide consolidates basic information about the process and takes customers to the UI Online system customers currently use for applying for regular UI.

Applicants, regardless of which program they are seeking, will be asked the same basic questions, including employment history and earnings information, along with some new questions that have been programmed into UI Online that are needed to determine PUA eligibility. Based on responses as well as wage information, the department will determine if a claim is processed as a regular UI claim or a PUA claim.

“We know there are a lot of workers in the state who are in business for themselves and have been greatly struggling through this historic pandemic,” said EDD Director Sharon Hilliard. “We have worked to get this new program in place quickly to support working Californians, the self-employed, their families, and their communities.”

Applicants may learn more about the Pandemic Unemployment Assistance program by reviewing the newly updated PUA Frequently Asked Questions on the EDD website.
Frequently Asked Questions

How much can I receive in PUA benefits?

In order to provide benefits as quickly as possible, payments will be issued in phases. If you qualify for PUA, you will receive an initial payment of $167 per week as far back as February 2\textsuperscript{nd}, 2020 depending on exactly when you became unemployed due to the pandemic. After these initial payments, your weekly amount may be increased as soon as further programming is completed and depending on your prior earnings. The EDD will review earnings information you provide when you apply. In addition, for every week of PUA benefits you qualify for between March 29 and the end of July, the EDD will automatically add an extra $600 in federal stimulus funds to your payments.

Will I need to supply any documents along with my application to prove my income?

No, you do not need to submit any documents to the EDD with our PUA application. You will be asked for your total income for the 2019 Calendar Year. Initially, this will be used to pay the minimum payment of $167 per week. But if the income information you provide indicates that you meet an annual earnings threshold of $17,368 or more, the EDD will work as quickly as possible to verify your income for potentially higher weekly payments up to a maximum of $450 per week. If additional information is needed, the EDD will contact you.

How fast could I receive benefit payments?

If you apply through UI Online and have no claim, no reported wages as an employee over the last 18 months, and meet federal eligibility requirements, your application will be processed in our system right away. You will then be able to move quickly to certifying eligibility for any back weeks after February 2\textsuperscript{nd}. If you already have an EDD Debit Card that has not expired, the first payments can be made in just a couple of days. If not, it will take about a week from that first certification to get your card with first payment authorized.

What should I do if I already filed a claim for regular UI benefits and received a Notice of Unemployment Insurance Award showing $0 in benefits?

This doesn't necessarily mean someone has been denied benefits. Such a notice can indicate one of three scenarios: your identity couldn't be verified and further documentation is required, you were misclassified as an independent contractor (instead of an employee) or information wasn't reported correctly and you can take further action, or you are self-employed and not eligible for regular UI benefits. See the FAQs for more information.
If I am already receiving regular UI benefits, can I switch over to PUA benefits if I want to identify myself as an independent contractor or as self-employed?

No. If you are already receiving UI benefits, then you cannot qualify for PUA benefits.

What if I’m out of work due to COVID-19, have a small amount of W-2 income, and a large amount of income from self-employment? Can I not declare the W-2 wages and just rely on self-employment to get PUA?

No. If EDD has wages reported from an employer over the last 18 months that would qualify you for a regular UI claim, then the EDD is required by law to proceed with a regular UI claim for you.

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