California EDD Will Not Accept New Unemployment Claims

California will not accept new unemployment claims for the next two weeks as the state works to prevent fraud and reduce a backlog. In a statement released late Saturday, the employment development department announced, nearly 600,000 Californians are part of a backlog where their unemployment claims have not been processed by the state for more than 21 days. There are also 1 million cases where residents received payments but are awaiting a resolution to their modified claims. The EDD has been hampered throughout the pandemic by outdated technology. The EDD plans to implement a new online identity verification tool during the two-week period that would reduce the number of claims needed to be processed by hand and potentially reduce suspected fraud. While the department says that about 2.1 million residents were out of work statewide last month, California's unemployment rate fell to 11.4% in August, down from 13.5% in July. Californians who are already in the unemployment system are not expected to see an interruption in their payments.

