

EDD Systemic Failure Timeline

As of March 25, 2024

Pre-COVID EDD Systematic Failures		
<i>Date</i>	<i>Item</i>	<i>Source</i>
2013		
May	EDD reduces phone call-in service from 8 a.m. to noon because of the lack of federal funds.	KCRA 3
August	EDD experiences a “glitch” in their new computer upgrade system that resulted in delayed payments between August and October. The delays resulted in legislative hearing in the Fall of 2013.	KCRA 3
	EDD is awarded a grant from the U.S Department of Labor for the installation and use of a fraud-protection software system from Pondera Systems.	KCRA 3
29	Despite DOL grant, EDD experiences an increase in identity theft and fraudulent claims.	Fox 26 News
2016		
Summer	EDD discontinues using the fraud-prevention Pondera system. They state it was because it cost too much, which was about \$2 million annually.	KCRA 3
Pandemic Related EDD Systematic Failures		
2020		
March	EDD tells people who are not eligible for unemployment to apply and then issues them award notices saying their benefit award was \$0. Department does not answer their phones to respond to questions.	Rep Doc
17	EDD shuts down all offices due to the coronavirus pandemic. The offices are closed and phones were shut off.	Rep Doc
19	People are unable to file for unemployment online after the website crashed and phones stop working.	WBTV
25	EDD launches a new website. EDD's spokesperson cites a "sudden slam" due to the state shutdown for increased delays in benefits and says they're working on "new help items."	KCRA 3
27	The Federal Government warns the EDD that with CARES Act funding for unemployment will likely come attempts by fraudsters to illegally obtain funds.	Rep Doc
April 2020		
17	After almost a month of delay, the application for the Pandemic Unemployment Assistance (PUA) program goes live on EDD's website and immediately crashes. Claimants struggle INTO DECEMBER OF 2020 to successfully get the EDD to process their applications.	KCRA 3
19	Both the new phone line and the EDD website experience problems. The website says, "we are having problems, please check back."	

20	EDD website has been freezing and the agency is not answering phone calls.	KTLA
May 2020		
11	EDD Whistleblower warns of identity thefts concerns. Many are emailing their names, date of birth, and social security numbers to random EDD email addresses found online.	KCRA 3
20	KCRA 3 Investigates obtains phone service contract for EDD. It is a no-bid emergency contract with Deloitte, the same company behind the problematic 2013 computer upgrade.	KCRA 3
25	KCRA 3 Investigates obtains phone service contract for EDD. It is a no-bid emergency contract with Deloitte, the same company behind the problematic 2013 computer upgrade.	KCRA 3
June 2020		
11	An EDD phone worker has stated that the system is not working and that EDD phone workers only receive one day of training prior to taking their post.	KCRA
July 2020		
2	Californians contact KCRA 3 saying they have waited 16 weeks or more for money.	KCRA 3
8	Nearly 2 million claims have gone unpaid during COVID-linked business shutdowns.	Mercury News
	Newsom announces a "strike team" to go inside EDD and create a "blueprint" for fixing the issues within the department. They are given until early September to announce their findings.	Santa Cruz Sentinel
30	KCRA 3 Investigates begins to get messages about stacks of envelopes arriving in mailboxes from EDD. All list the correct addresses, but not the names of the people living in the homes and apartments.	KCRA 3
September 2020		
2	EDD announces they will stop backdating claims to the Pandemic Unemployment Assistance Program; the program they now say is the hardest hit in fraudulent claims coming to EDD.	KCRA 3
17	The EDD strike team presents their report to EDD first, then releases it on a Saturday. In it, they detail a backlog of 1.5 million claims. <ul style="list-style-type: none"> • They talk about ancient computer systems, a 60-year-old programming language, and say that the phone lines are answered by people untrained for claims. • The strike team finds that EDD has so focused on minute areas of claims that could possibly point to fraud they completely ignored massive fraud coming into the department from the Pandemic Unemployment Assistance portal. 	KCRA 3

	<ul style="list-style-type: none"> • By this point, millions of Californians have not had their claims paid due to fraud. • The strike team recommends a complete shutdown for two weeks of new claims to reduce the backlog inside EDD. <p>EDD does instigate the "burn down" plan to reduce the backlog, but more than a million claims remain.</p>	
19	EDD shuts down for two weeks as part of the "burn down" plan to reduce the backlog. They add the "ID.me" system, which the California DMV uses to verify identity in order to speed up claims and reduce fraud.	
October 2020		
7	EDD finally releases how many accounts are now under scrutiny. The department freezes nearly 700,000 claims.	KCRA 3
8	Bank of America Freezes EDD Accounts of Nearly 350,000 Unemployed Californians for suspected fraud.	KCRA 3
November 2020	California approved more than \$140 million for at least 20,000 prisoners including to well-known convicted murderers like Scott Peterson and Cary Stayner.	
24	In more attempts to prevent fraud, EDD begins freezing accounts, as does their contractor, Bank of America. Californians are finding their previously open accounts are now frozen. EDD blames Bank of America and Bank of America blames EDD.	
December 2020		
17	The EDD runs claims through an algorithm that flags approximately a million claims as having potentially fraudulent activity. EDD immediately suspends all claims resulting from the algorithm without reviewing them.	KRON 4
January 2021		
15	While EDD has generated nearly 8 million tax forms for unemployment income, there is no indication whether they are all legitimate. The fear is that tax documents generated by EDD could be sent to many of EDD's victims of fraud.	Mercury News
25	Unprepared, poor planning and ineffective management. That's how California's State Auditor Elaine Howle describes the inner workings at EDD.	KCRA 3
February 2021		
5	After multiple warnings, EDD has sent out millions of IRS tax forms for benefits they never applied for and now have to unravel the tax problem by getting an adjusted form from EDD.	KCRA 3
March 2021		
5	Cost Of Deloitte's EDD Phone Center Balloons to \$55M, As Millions Of Calls Go Unanswered.	KCRA 3

May, 2021		
8	As of May 8, about 1.11 million California workers had filed jobless claims that were waiting for payment or resolution on the part of the state's Employment Development Department.	KCRA 3
14	Calls to the state's unemployment department have ballooned about 38% over the last month – and fewer are being answered, according to data from the agency.	Sac Bee
	The backlog of claims -- and claims that EDD refuses to call backlogged, but "waiting for certification" -- comes to a combined total over a million claims.	Sac Bee
28	With EDD's phone lines perpetually jammed, thousands of people are paying \$20 to \$80 per call to private companies that connect them to EDD by robo-dialing it — which in turn adds to the congestion.	ABC 10
Post CA Reopening EDD Systematic Failures		
June 2021		
2	EDD fraud mess: Judge sides with jobless workers against big bank	East Bay Times
3	EDD failures include a broken phone center, glitch-hobbled computer system, suspended benefit payments, and fraud.	Mercury News SiliconValley.com
14	Despite California reopening today, EDD still has a backlog of 230,000 claims – those waiting three weeks or more for benefits.	DOJ Press Release CBS Los Angeles
16	230K still wait for EDD benefits, millions still jam call center	ABC 7
19	COVID economy: California unemployment claims backlog worsens. Workers in California face bigger backlogs more than 15 months after the coronavirus lockdown began.	Post News Group
28	More than \$11 billion has been stolen from the state of California through Employment Development Department fraud.	CBS Los Angeles
28	Bipartisan bill to take on EDD fraud and recover \$30 billion in lost money	KCRA
July 2021		
2	Latest EDD Scam Targeting Out-Of-State Residents Via Text	CBS Los Angeles
5	Bank of America says it wants out of unemployment benefits contract as EDD renews	ABC 30
	California EDD: Misinformation, Poor Communication, Miserable Claimant Services, Fraud Issues	California Globe
6	Throughout much of 2020, the claims backlog was more than 1 million. Midway through 2021, more than 90% of the calls to EDD call centers were going unanswered, compared with more than 99% in 2020. Currently, it takes the typical caller 11 tries to reach a human.	CBS News LV Fox 5 LV DOJ Press Release

7	"Just how dysfunctional is California's unemployment department?"	Yahoo
	CA Assembly hires staff just for EDD claims problems	KCRA Mercury News
8	California's unemployment fiasco takes surprising turn: Bank of America wants out	CalMatters
9	Officials report more than 100 potential victims after EDD fraud investigation in Davis	KCRA
12	EDD's failures mount as they mail a Bay Area woman's private information to a stranger, raising more fears of identity theft.	NBC Los Angeles News Nation USA NBC Los Angeles
	Bank of America's Dysfunctional Relationship With the EDD: <i>The bank has said publicly it wants nothing more to do with the EDD.</i>	
15	Californians are once again receiving EDD mail addressed to other people.	CSLEA KGET
16	How criminals siphoned off unemployment payments directly from recipients' accounts	CNBC.com
19	What California Could Have Done with the \$30 Billion Lost by the EDD	California Globe
20	California's thorough bungling of unemployment insurance system	Mercury-Register
	Bank of America Faces Another Lawsuit Over Calif. Unemployment Benefits Fraud, Account Freezes	ClassAction.org
21	Gov. Gavin Newsom's administration on Tuesday tapped a former federal prosecutor to help investigate billions of dollars in fraudulent unemployment benefits paid by the state during the COVID-19 pandemic shutdown.	CBS San Francisco
22	Nine San Diego Residents Charged with Submitting Fraudulent Pandemic Unemployment Insurance Claims and Drug Crimes in Two Cases	DOJ So. California Fox 5 ABC 10
	EDD agrees to pay more than 100,000 claims stuck in pending status	
23	Gov. Gavin Newsom's administration on Thursday announced a major change in how California pays unemployment benefits, potentially unlocking payments for up to 100,000 people who have gone weeks or months without assistance.	CBS News
26	California EDD can't freeze unemployment checks, must 'pay now' during eligibility investigations	KTVU
27	EDD Rolls Out All Chipped Unemployment Benefit Debit Cards: <i>Chipped cards are latest measure to help combat unemployment fraud in California</i>	California Globe
August 2021		
2	California unemployment crisis: 7 On Your Side investigates calamity at EDD	ABC 7

	<i>ABC7 is taking a deeper look at the crisis in the 7 On Your Side special investigation "Broke: California's Unemployment Crisis."</i>	
4	Phishing scheme targets unemployment insurance benefits and PII	FTC Consumer Alert
6	State Of CA Provides Funding For EDD To Expand, Reform Language Service Options	Claycord NewsTalk
12	EDD Issues Warning About Telephone Phishing Scams	Cresenta Valley Weekly
17	Newsom's other COVID-19 recall vulnerability: California's broken unemployment system	LA Times
20	Unemployment Fraud during the Pandemic	Marcum Accountants and Advisors
September 2021		
3	These Californians say EDD hasn't paid their claims and now they are homeless	KTVU
	More than 2 million Californians set to lose unemployment benefits	CalMatters
8	Former state employee with record of fraud to plead guilty to EDD scam	LA Times
9	Former EDD Employee Admits To Filing Nearly 200 Fraudulent Claims That Paid Out More Than \$1.6 Million	CBS Los Angeles
10	California lawmakers send governor sweeping legislation to change unemployment system	LA Times
	Newsom Gets Bills Focused on EDD Benefits, Fraud Prevention: Legislation approved by lawmakers would require the state Employment Development Department to enact far-reaching changes recommended by a pair of state audits that found the agency unprepared for the joblessness caused when many of the state's businesses were shut down during the health crisis.	GovTech
19	Couple receives 50 EDD letters addressed to others	Daily Bulletin San Bernardino Sun The Press Enterprise
October 2021		
23	California paid out at least \$20 billion in fraudulent unemployment benefits -- less than originally feared, but an amount that still represents more than 11% of all benefits that have been paid since the pandemic began.	CBS News LA Times Capitol Radio
25	With almost 140,000 backlogged claims, EDD is grilled by California lawmakers on unemployment benefits fiascoes	San Francisco Chronicle

		ABC 10
26	The good news: California's unemployment department is making progress on key reforms. The bad news: Some of the most transformational changes are likely still years away.	San Jose Inside
	EDD Scam Uncovered At Riverside County Prison, DA Announces	Murrieta Patch
	Key California EDD fixes are a long way off	CalMatters
Post CA COVID EDD Systematic Failures		
November 2021		
11	"In California, the fraud was so widespread that state officials OK'd at least \$810 million in benefits in the names of people who were in prison, including dozens of infamous killers on death row," noted the Associated Press.	Daily Breeze
19	Thanks to AB 5, nearly 1M self-employed suddenly required to prove they deserved EDD benefits or pay it all back	ABC 7 ABC 30
24	California: Highest Unemployment Fraud and Unemployment Rate	USNN News
December 2021		
20	The EDD has already lost \$20 billion-plus in fraud, but a new scam has those who never applied for benefits receiving letters saying their identity is being used.	ABC 10
21	New attempts at EDD fraud: Sacramento County DA sounds alarm about false disability insurance claim	KCRA
January 2022		
13	EDD believes latest round of fraud attacks are hitting medical and health providers	ABC 10
14	California EDD Suspends Some Disability Claims, Citing Fraud	CBS News Bay Area
15	State officials on Monday said they had suspended 345,000 disability claims while they worked to verify the identity of about 27,000 doctors whose credentials were used to file disability claims for purported patients.	FrankonFraud.com KTVU
19	Fraudsters rip off California's disability insurance system	Cal Coast News
26	EDD wants proof from 1.4 million people for past payments, but most aren't responding	ABC 10
27	California says most halted EDD disability claims are fraudulent	KCRA LA Times
28	Two years into the pandemic, fraudsters continue to target California's unemployment department.	CalMatters CBS News Bay Area

	Changes at top of troubled EDD, Rita Saenz out as Newsom appoints successor: <i>Nancy Farias has been appointed by Gov. Newsom to be the new director of the Employment Development Department.</i>	ABC 10
29	California's EDD Director Steps Down After Just Over 1 Year in Charge	NBC Bay Area
February 2022		
4	More than \$8B paid to criminals in EDD fraud	Yahoo News
8	The U.S. Department of Labor has agreed not to make workers repay benefits they received by mistake during the pandemic, as long as they were not obtained by fraud.	ABC 7
11	Feds allege record \$25M in claims from jobless scam operated out of California prisons	FOX 40
19	Woo gang members from NY to California arrested on unemployment fraud charges	KTVU
23	Three members of L.A. family behind \$18-million COVID-19 relief scam captured in Europe	LA Times
26	CA EDD admits wrongly denying woman's pandemic benefits; now she has a big debt and large tax bill	ABC 7
March 2022		
4	California has almost \$20 billion of debt from the surge in unemployment claims during the pandemic, more than any other state.	CalMatters
9	CA EDD cuts benefits to new moms as it investigates massive disability fraud	ABC 7
15	About 475,000 Californians are waiting as long as 16 to 20 weeks for an interview with the state Employment Development Department to see if they qualify for unemployment benefits – and some can't get any benefits while they wait.	Sac Bee
22	Scammers send phishing texts claiming to be California EDD or Bank of America	KTVU
April 2022		
1	Ten people have been indicted in Arkansas for filing \$2.7 million in false claims with California's Employment Development Department.	KCRA KTVU Audacy
6	EDD estimates it gave \$19 billion to fraudsters in phony unemployment claims. Bank of America says it lost at least \$200 million to debit card fraud	ABC 7
May 2022		
27	EDD faces another wave of fraud, says they stopped \$560 million in bogus payments: <i>CA's unemployment department claims to have stopped 47,000 fraudulent claims</i>	KCRA Sac Bee ABC 10
June 2022		

3	Another EDD backlog: Businesses and potential businesses are impacted	KCRA
4	Smugglers linked to California homes pretended to be FBI agents and stole from EDD, feds say	Sac Bee
21	California recovers \$1.1 billion in unemployment aid amid fraud investigation	LA Times CBS News KCRA
July 2022		
5	EDD fraud 2 years and counting: Criminals still stealing identities to cash in on benefits	KCRA YouTube Patch
6	Arrest In CARES Act Fraud: Over \$2M Stolen From 116 RivCo Unemployed	NBC Bay Area
15	Feds Fine Bank of America \$225M for Unemployment Failures and Describe EDD 'Black Hole'	KCRA
21	Iowa couple victims of EDD fraud in California, caused closing on their new home put in limbo	
August 2022		
8	The state agency that handles unemployment benefits pursued lowering costs and hindering fraud over making it easy for workers to access benefits, a new report found (by the LAO).	CalMatters KPBS KCRA California Globe
16	Thousands of Californians Waited Weeks for Disability Payments While EDD Grappled With Fraud	California Political Review
24	California Legislature passes bill to reclaim more EDD fraud money	KCRA
26	EDD wrongly denies hundreds of thousands of CA unemployment claims every year, report shows	ABC 7
September 2022		
19	Analysis shows California EDD fraud really at \$32.6 billion and counting	Yahoo News
20	U.S. charges dozens of people in \$250 million pandemic fraud scheme	NPR
23	Pandemic unemployment benefits fraud may top \$45 billion, federal watchdog says	CNN NY Times
October 2022		
6	EDD's improper payment rate for the first six months of the pandemic was 36.6%, meaning more than a third of the payments — just pandemic program payments — were paid out to the wrong people	KCRA

18	Pandemic-related fraud totaled billions. California is trying to get some of it back	NPR
	EDD is Warning About Text 'Smishing' Scams. Here's What That is	NBC Los Angeles
20	Lawmakers on the Accountability Committee fear the majority of the money won't be seen again, but have hope on reform.	KRON 4 CBS 8
21	EDD fraud is just the tip of the iceberg with incompetence and reckless carelessness in the California government.	California Globe
November 2022		
1	EDD fails to act as SF man reports ID theft in his name, gets benefits card anyway	ABC 7
21	EDD debit card program rife with fraud, reports of unemployed Californians not getting their money	FOX 11 YouTube
December 2022		
25	EDD projects that at year's end the unemployment insurance program's total debt will exceed \$19 billion. Because of its insolvency, it must pay \$470 million in interest payments to the federal government.	OC Register
28	California's EDD Continues to Borrow Hundreds of Millions – about \$13 million PER DAY – To Meet its Obligations	California Globe
January 2023		
13	Congressional investigation launched on EDD regarding unemployment payouts	KCRA Sac Bee SF Chronicle
	Congress' CA UI Fraud Letter to California EDD	US House Oversight Committee
	Leaked Documents: EDD asking for more money to roll out a long overdue direct deposit option	CBS News Sacramento
23	Pandemic jobless benefits fraud likely tops \$60 billion.	CNN
31	EDD Chief Fires Back in House Hearing into Fraud	Sac Bee GovTech Industry Insider ZeroHedge.com
	Newsom's epic fail, the horrendous EDD fraud, now getting Federal scrutiny	790 KABC
February 2023		

3	California EDD to feds: Unemployment fraud was Trump's fault	SF Chronicle
8	At least \$191 billion in pandemic jobless benefits improperly paid, watchdog tells Congress	CNN
10	The government has lost billions to unemployment fraud. Can it get it back?	Sac Bee
17	EDD won't require repayment of unemployment benefits issued in error	SF Chronicle
24	Why scammers who stole billions in unemployment benefits may get away with fraud: <i>The statute of limitations for many pandemic-related unemployment insurance fraud investigations is set to expire in 2025.</i>	LA Times
March 2023		
1	California EDD accuses approved applicants of fraud, garnishes wages to get money back	KTVU
April 2023		
11	California Defaults On \$18.5 Billion Debt, Leaving State Businesses Holding The Bag	Hoover Institution Independent Institute
24	"The group created about 151 fake EDD accounts and collected about \$993,181 in unemployed funds."	KTLA
26	Congressional committee accuses California's EDD of failing to turn over documents regarding fraud	KCRA
	Congress is Fed up with the California EDD	California Globe
May 2023		
2	California companies pay higher taxes for unemployment debt	Democratic Underground
7	The EDD's failure to pinpoint the extensive fraud that occurred has been further highlighted by a third-party data and analytics company Lexis-Nexis, which estimates the fraud amount at around \$32.6 billion, compared to the EDD's \$20 billion estimation.	Atlas News
8	Newsom let CA default on \$18.6B in fed unemployment loans	HotAir
16	Workers denied pandemic-era jobless benefits are still struggling with debt and stress – collateral damage as they fight a state employment agency on edge about fraud and an appeals system facing a 'historic' backlog.	CalMatters CBS 8 OC Register
	Why thousands of Californians are in limbo for jobless benefits	CalMatters
26	Bank of America must face class action over 2020 benefit card fraud	Reuters
27	\$139 Dollars A Second: That's How Much the EDD Will Borrow TODAY: <i>California has more than two-thirds of the entire nation's remaining pandemic unemployment debt</i>	California Globe
June 2023		

12	California's COVID unemployment reckoning goes national	CalMatters ABC 10
16	What really went wrong with the EDD	OC Register
21	Fraud in California: New arrests, new criticism of CalWORKs and CalFresh card security" <i>Thousands of cards used out-of-state by criminal rings</i>	KCRA
27	California's EDD faces backlash over problematic new website: Users unable to access benefits	KMPH ABC 7
July 2023		
8	BREAKING: California EDD 'Structurally Insolvent' 'The latest EDD catastrophe will force 'the business community to pay for the incompetence of the government'	California Globe
27	Scammer may have snagged your California Middle Class Tax Refund: <i>Most MCTR debit cards didn't contain chips, making them easier for scammers to hack and swipe the funds</i>	NBC San Diego
August 2023		
24	State High-Risk Audit Program The California State Auditor's Updated Assessment of Issues and Agencies That Pose a High Risk to the State	CA Auditor
29	Auditor slams California unemployment agency, calls it 'high-risk' due to pandemic-era fraud	Yahoo News The Beacon California Globe
September 2023		
2	Does the EDD Owe the Feds Another \$18 Billion Dollars?	California Globe
4	Allegations of EDD Fraud Prompt Emergency Audit	CalTax
7	California EBT theft on the rise 'I don't know how many times we have to repeat this'	ABC 10
12	"As much as \$135 billion in unemployment insurance benefits may have been lost to fraud during Covid-19, according to a Government Accountability Office report released Tuesday , more than double an earlier estimate."	Politico U.S. GAO
20	"The state Employment Development Department has issued a request for information as it explores how to better deliver 'efficient workforce insurance programs and services.'"	GovTech Industry Insider
October 2023		
November 2023		

7	Series: California's unemployment crash	CalMatters
12	What went wrong at EDD? An investigation of its managerial meltdown	CalMatters
December 2023		
4	EDD changes unemployment contractor after scams	CalMatters
	California EDD lets go of Bank of America for unemployment payments, will soon start direct deposits	SF Chronicle
January 2024		
17	California's unemployment insurance fund has a stubborn multibillion-dollar problem	OC Register
	California Lawmakers Take Action as EDD Problems Persist	The Epoch Times
30	'California has amassed a catalog of programs and projects that fail to deliver as promised. The list of dysfunctional efforts has a couple of new entries.'	CalMatters
February 2024		
13	Tracy woman pleads guilty to 70 unemployment fraud claims, \$1.1 million in losses	ABC 10
14	EDD pays phony jobless claim, takes \$4,000 from identity theft victim	ABC 7
16	EDD Switches Over To Money Network For Benefit Payments Following \$32 Billion in Fraud	California Globe
March 2024		
18	California's Latest Audited Financials Reveal a Serious Problem	Cato Institute

***Note:** All non-hyperlinked 'KCRA 3' sources were derived from the [KCRA EDD Backlog timeline](#).
All other non-sourced data was derived from Senate Republican Office of Policy documents.