EDD Systemic Failure Timeline

Date	Item	Source
Pre-COVID EDD Systematic Failures		
2013		
May	EDD reduces phone call-in service to 8 a.m. to noon, citing a lack of federal funds.	[KCRA 3](#)
August	EDD's new upgraded computer system, installed by Deloitte Consulting, experiences a "glitch," causing delayed payments between August and October. The delays spur a legislative hearing in the fall of 2013.	KCRA 3
	EDD wins 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 stops using the Pondera fraud-prevention system, citing that the $2 million annual cost was too much.	KCRA 3
Pandemic Related EDD Systematic Failures		
2020		
March	EDD tells people who are not eligible for unemployment to apply anyway, then issues them award notices saying their benefit award was $0. Department does not answer the phones to respond to questions.	Rep Doc
17	EDD shuts down all offices due to the pandemic. Offices are closed, phones shut off.	Rep Doc
19	People are unable to file for unemployment online after the EDD website crashes.	[WBTV](#)
25	EDD launches a new website. EDD's spokesperson states the increased delays in benefits are due to a "sudden slam" caused by the state shutdown and says EDD is working on "new help items."	KCRA 3
27	The federal government warns EDD that CARES Act funding for unemployment likely will generate attempts by fraudsters to obtain funds illegally.	Rep Doc
April		
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 get EDD to process their applications successfully.	KCRA 3
19	Both the new phone line and the EDD website experience problems. The website says, "we are having problems, please check back."	Rep Doc

20	EDD website has been freezing and the agency is not answering phone calls.	KTLA
May		
11	EDD whistleblower warns of identity theft concerns. Many are emailing their name, date of birth, and social security number to random EDD email addresses found online.	ABC 10
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		
11	An EDD phone worker states that the system is not working and that EDD phone workers receive only one day of training prior to taking their post.	CBS Los Angeles
July		
2	Californians contact KCRA 3 saying they have waited 16 weeks or more for their benefit 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 department's issues. It has until early September to announce its findings.	Rep Doc
30	KCRA 3 Investigates begins to get messages about stacks of envelopes from EDD arriving in mailboxes – all addressed to multiple complete strangers.	KCRA 3
September		
2	EDD announces it will stop backdating claims to the Pandemic Unemployment Assistance Program; the program it now says is the hardest hit with fraudulent claims.	KCRA 3
17	EDD strike team presents its report to EDD first, then releases it on a Saturday. The report details a backlog of 1.5 million claims. • The report cites ancient computer systems, a 60-year-old programming language, and that the phone lines are answered by people untrained in handling claims. • The strike team finds EDD is focused so narrowly on minute areas of claims that could possibly point to fraud that it completely ignored massive fraud coming into the department from the Pandemic Unemployment Assistance portal. • By this point, millions of Californians have not had their claims paid due to fraud. • The strike team recommends EDD do a complete shutdown on processing any new UI claims for two weeks to focus instead on reducing the backlog.	KCRA 3
19	EDD implements the two week "burn down" plan to reduce the backlog. Also, it adds the "ID.me" system, which the California DMV uses to verify identity in order to speed up claims and reduce fraud.	CBS Los Angeles

October		
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.	CBS Los Angeles
November	California EDD approved more than $140 million for at least 20,000 prisoners, including such well-known murderers as Scott Peterson and Cary Stayner.	USA Today
24	Trying again to prevent rampant fraud, EDD begins freezing accounts, as does Bank of America, which contracts with EDD to run the benefits debit card system. Californians are finding their previously open accounts are now frozen. EDD blames Bank of America, Bank of America blames EDD.	Rep Doc
December		
17	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
2021		
January		
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 will 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		
5	After multiple warnings not to do so, EDD sent out millions of IRS tax forms for benefits to victims of fraud who will now have to unravel the tax problem by getting an adjusted form from EDD.	KCRA 3
March		
5	"Cost of Deloitte's EDD phone center balloons to $55M, as millions of calls go unanswered."	Cap Radio
May		
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 of over one million.	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.	SF Chronicle

Post CA Reopening EDD Systematic Failures		
June		
14	Despite California reopening today, EDD still has a backlog of 230,000 claims – those waiting three weeks or more for benefits.	ABC 7
19	COVID economy: California unemployment claims backlog worsens. Workers in California face bigger backlogs 15 months after the coronavirus lockdown began.	Mercury News, OC Register
July		
6	"Throughout much of 2020, the claims backlog was more than 1 million. And midway through 2021, more than 90% of the calls to the 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."	Yahoo
7	"Just how dysfunctional is California's unemployment department?"	North Coast Journal of Politics
12	EDD's failures mount as they mail a Bay Area woman's private information to a stranger, raising more fears of identity theft.	ABC Bay Area
15	Californians are once again receiving EDD mail addressed to other people.	Fox 26 News
20	'California's thorough bungling of unemployment insurance system'	Mercury-Register

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