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February 5, 2021

Rita L. Saenz  
Director  
Employment Development Department  
722 Capitol Mall  
Sacramento, CA 95814

**RE: EDD Hearing Follow Up Questions**

Dear Director Saenz,

Thank you for attending last week's Assembly Budget Subcommittee #4 informational hearing on oversight of the Employment Development Department's (EDD) unemployment insurance program. During the hearing, members had many questions that EDD and your contractor, Bank of America, were not able to answer at the time. Below is the list of questions:

1. How long does it take to process identification verifications for the cards frozen by Bank of America due to fraud from the first freeze of 350,000 cards? How long does it take to process identification verifications for claims frozen by EDD for the same population? What is the general timeline for claimants to get their card unfrozen and be able to access those benefits on their account?
2. What percentage of claimants that have had their card frozen by Bank of America due to suspected fraud are actually legitimate and are actually fraudulent? If their claim is legitimate, how quickly can these claimants expect a resolution?
3. Can EDD provide information on Bank of America's call center data? Specifically, how does Bank of America report cases as resolved? If Bank of America is directing claimants to call EDD, does that constitute a call being resolved?
4. What steps has EDD taken to prioritize underpayment prevention, which was identified by the Strike Team as a recommendation? How does the 1.4 million suspended claims factor into EDD's focus on underpayment prevention?

5. After identification has been verified, how many days do claimants wait to have their claim unsuspending? How many claimants wait more than 10 days?
6. What is the amount of benefits that have gone unpaid for the 1.4 million claims that are suspected of fraud, had they been able to continue certifying?
7. How many claimants have opened instructions link to ID.me portal? How many claimants have been cleared by ID.me? How many claimants have not opened the ID.me link?
8. How will EDD improve your systems in the future so that these problems will not continue to persist?
9. How many staff work in the unemployment insurance Integrity and Accounting Division work on fraud cases?

We would appreciate your prompt response to these questions by **Friday, February 19, 2021**. These questions help us understand what measures EDD has taken to reduce the massive backlog of cases, stop fraudulent payments, and unfreeze claims for legitimate claimants.

Additionally, in this Subcommittee's continuing oversight of the unemployment insurance program, we ask that EDD provide regularly updated information about the backlog and the department's status in implementing the Strike Team recommendations.

We hope that EDD will work with the Assembly on finding solutions to the issues identified during the hearing in order to ensure that Californians needing unemployment insurance are receiving their benefits in a timely manner. If you have any questions, please do not hesitate to contact my office at (916) 319-2051.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wendy Carrillo', written in a cursive style.

Wendy Carrillo  
Chair, Assembly Budget Subcommittee #4