

COVID-19 Update From EKA – April 14, 2020

EKA's media, government, public relations and crisis support services teams are tracking the state, local and national government responses to the COVID-19 Pandemic. This update has been prepared for informational purposes and is compiled from publicly available sources and is not intended to be legal or tax advice. All hyperlinks below are live and will bring you to the information mentioned.

Updated: Resources for Businesses

As we continue to work together to maintain the safety and health of our community, EKA continues to relay information regarding the resources that have come available to businesses. Attached to this email is an updated Resource Guide the EKA team created regarding various COVID-19 resources that are available.

Webinar: COVID-19 Restaurant Industry Options

The El Camino College Small Business Development Center is offering a webinar for the Restaurant Industry. This webinar will feature key industry leaders from major national restaurant and foodservice delivery businesses, as well as several successful restaurateurs. The webinar will take place **TODAY, April 14th, from 2:00 – 2:30 pm.**

- Topics of discussion include:
 - How to Critically Appraise Your Current Situation
 - Strategies for “Making Lemonade from Lemons”
 - Optimizing Customer Interaction
 - Maximizing Operational Efficiencies
 - Distribution Resources, What You Can Expect

Click [here](#) for more information and to register.

COUNTY OF LOS ANGELES

Safer At Home Order Posting

Los Angeles County Department of Public Health issued a Safer At Home Order on March 21, 2020. This [Order](#) applies to all retail food facilities, including grocery stores and restaurants. The Order requires the following:

- Enforced social distancing.
- Provide public access to handwashing facilities with soap and water or to hand sanitizer that contains at least 60 percent alcohol.
- Post a sign a visible place at all public entries that instructs members of the public not to enter if they have symptoms of respiratory illness, including fever or cough. [Click here to download the sign.](#)
- Follow communicable disease control recommendations provided by the [LA County Department of Public Health](#):
- Sets forth requirements for a food employee that has tested positive for COVID-19 or is presumed positive based on symptoms associated with COVID-19.

The California Restaurant Association provides an excellent resource local city and county restrictions throughout California. To view the document, click [here](#).

County Launches New Small Business Recovery Loan Program

In response to small businesses affected by COVID-19, the Los Angeles County Board of Supervisors created the [Small Business Recovery Loan Program](#), administered by the Los Angeles County Development Authority (LACDA). The Small Business Recovery Loan Program provides easy to access, timely, and sufficient financial relief to small businesses that are most impacted by an acute downturn in revenue caused by an unforeseen emergency outside their immediate control. This program will ensure businesses can keep their employees and businesses afloat during this time of economic hardship and prevent a chain reaction of reduced spending, inability to pay bills, job losses, or even closure.

The loans will be made available through the County's existing Economic Development Administration (EDA) Loan fund as the primary source of funding. Any for-profit business with 25 or fewer employees located within the unincorporated Los Angeles County or city participating in the County's Community Development Block Grant Program is eligible. Loan proceeds may be used for working capital, including payroll or rent. The maximum loan amount is \$20,000 with a term of five (5) years, and the minimum interest rate is authorized by the EDA (4%) or Wall Street Journal Prime (75%), whichever is lower. Principal and interest will be deferred up to 12 months. Loans may be prepaid, in part or in whole, at any time without penalty. There is no loan origination fee, and no collateral is needed to secure the loan. To obtain an application, click [here](#). For additional resources for small businesses, click [here](#).

CITY OF LOS ANGELES

Worker Protection Requirements

As of April 10th, the Los Angeles Worker Protection Order requires the following in Los Angeles City:

- Employees still working must wear face coverings over their noses and mouths while performing their work. The face coverings only have to be fabric, such as scarves and bandanas (not medical-grade masks or N95 respirators). An employer must provide at their own expense the non-medical grade face covering for the employees.
- All essential, non-medical workers required to wear these face coverings must frequently (at least once a day) wash any reusable face coverings.
- The single-use covering must be discarded into trash receptacles.
- Employers must permit employees to wash their hands at least every 30 minutes.
- The employee must have access to clean, sanitary restrooms, stocked with all necessary cleaning products or sanitizing agents required to observe hand sanitation protocols recommended by the Los Angeles County Department of Public Health.
- Employers must implement social distancing measures for customers, visitors, and employees that provides a six-foot buffer between individuals.

- All customers and visitors to a business must wear face coverings (again, not medical-grade, just some type of fabric)
- Business owners may refuse admission or service to anyone who fails to wear a face cover.
- The Mayor encourages but does not require, all retail businesses to install plexiglass to separate cashiers and customers at all points of sale.
- The Order is effective until the end of the local emergency period.

Click [here](#) to read the entire Order.

New City Websites

Mayor Garcetti announced a pair of new websites that seek to inform residents about the crisis and dispel myths circulating about the city's response. The [first website provides a digital version](#) of the documentation the Mayor receives daily with information about cases, deaths, testing, hospital beds, and the city's overall response. The [second website provides a list of answers to frequently asked questions](#) about topics such as enforcement, health and food and supplies.

Angelino Campaign

The Mayor's Fund for the City of Los Angeles launched an initiative, the [Angeleno Campaign](#), to put cash into the hands of the city's most needy. The Angeleno Campaign is meant to make distributing money to those who need it as frictionless as possible. Starting today, those who meet the requirements can begin applying for the Angeleno Card program, which will provide debit cards with \$700-\$1,500 for residents with incomes below the poverty line prior to the Safer at Home orders and those who have fallen into "deeper" hardship" due to reduced work hours or have had their incomes cut by at least 50%.

People can apply for the [debit cards online](#) or by calling 213-252-3040. Applications will only be accepted from 8:30 a.m. to 4:30 p.m. Tuesday through Thursday.

LONG BEACH

"Safer at Home" Order

The City of Long Beach issued an amendment to the existing "Safer at Home" Order, to further reduce the spread of COVID-19. Effective now through May 15, 2020, essential businesses are required to implement and post Social Distancing Protocols at their facilities maintaining operations. All essential businesses must post their Social Distancing Protocols by **Wednesday, April 15, 2020**. Appendix A of the "Safer at Home" Order includes the Social Distancing Protocol form that must be posted. The Social Distancing Protocol must be posted at or near the entrance of the relevant facility and shall be easily viewable by the public and employees. A copy of the Social Distancing Protocol must also be provided to each employee performing work at the facility. All essential businesses shall provide evidence of Social Distancing Protocol implementation to any authority enforcing the "Safer at Home" Order upon demand. To review the full "Safer at Home" Order, please click on the following link: ["Safer at Home" Order](#).

Long Beach Post Shop

- The Long Beach Post, with the assistance of the City of Long Beach, has launched a marketplace for local makers and businesses to connect with people looking to purchase masks and face coverings.
- The Long Beach Post received no commission from the sale of products sold through this marketplace.
- To learn more about this marketplace and purchase masks and face coverings, visit shop.lbpost.com.

If a business needs immediate assistance, contact the City's Business Hotline at (562) 570-4BIZ (4249).

SACRAMENTO

Refund Premiums To Drivers, Businesses Hit By COVID-19

California Insurance Commissioner Ricardo Lara ordered insurance companies to return insurance premiums to consumers and businesses and provide financial relief during the COVID-19 emergency. The [commissioner's bulletin](#) covers premiums paid for at least the months of March and April — including May if “shelter in place” restrictions continue — in at least six different insurance lines: private passenger automobile, commercial automobile; workers' compensation; commercial multi-peril; commercial liability; medical malpractice; and any other insurance line where the risk of loss has fallen substantially as a result of the COVID-19 pandemic.

The commissioner's bulletin requires insurance companies to provide a premium credit, reduction, return of premium, or other appropriate premium adjustments as soon as possible, and no later than August. Lara has already requested at least a 60-day grace period for policyholders to pay their premiums. Lara also ordered insurance companies to report back to the department all premium refunds they have issued or expect to issue within 60 days to provide oversight and ensure companies are complying with the bulletin.

Hotels for Health Care Workers

Frontline health care workers who are exposed to or test positive for COVID-19 can find hotel rooms through the [CalTravelStore](#). Health care workers must call to validate [eligibility](#) and make reservations.

Guidelines for Employers to Maintain Workplace Health and Safety

The California Occupational Safety and Health Administration has provided guidance on requirements to protect workers from coronaviruses, including industry-specific health and safety guidance and model written plans and programs. The guidance can be found [here](#).

Unemployment Insurance Work Sharing Program to Avoid Layoffs

Employers who are experiencing a slowdown in businesses or services as a result of COVID-19 may apply for [California's Unemployment Insurance Work Sharing Program](#). This program

allows employers to evaluate alternatives to layoffs to avoid the cost of recruiting hiring and retaining employees later. Some alternatives include retaining trained employees by reducing their hours and wages which may be partially offset with unemployment benefits. Qualifying employers must meet all of the following requirements:

- Be a legally registered business in California;
- Have an active California State Employer Account Number;
- At least 10 percent of the employer's regular workforce or a unit of the workforce, and a minimum of two employees, must be affected by a reduction in hours and wages;
- Hours and wages must be reduced by at least 10 percent and not exceed 60 percent;
- Health benefits must remain the same as before, or they must meet the same standards as other employees who are not participating in Work Sharing;
- Retirement benefits must meet the same terms and conditions as before, or they must meet the same as other employees not participating in Work Sharing;
- The collective bargaining agent of employees in a bargaining unit must agree to voluntarily participate and sign the application for Work Sharing;
- Identify the affected work units to be covered by the Work Sharing plan and identify each participating employee by their full name and Social Security number;
- Notify employees in advance of the intent to participate in the Work Sharing program.
- Identify how many layoffs will be avoided by participating in the Work Sharing program; and
- Provide the EDD with any necessary reports or documents relating to the Work Sharing plan.

There are certain restrictions on participation. Comprehensive information relating to the IU work-sharing program can be found [here](#).

California Rapid Response Program for Employers Dealing with Closures and Layoffs

Non-essential employers who are closed or employers who have to conduct major layoffs as a result of COVID-19 may apply for assistance through California's Rapid Response program. Rapid response is a business-focused program designed to assist companies facing potential layoffs or plant closures. Rapid response teams will meet with the employer to discuss the employer's needs in an attempt to avert potential layoffs and provide any available immediate on-site services to assist workers facing job losses. More information about the Rapid Response Program and how to get started can be found [here](#).

Tax Assistance

Employers directly affected by COVID-19 may request up to a 60-day extension to file state payroll reports and deposit state payroll taxes without penalty or interest. Employers must include the impact of COVID-19 in the written request for the extension and the request must be received within 60 days from the original past-due date of the payment or return. More information explaining Employer Resources can be found [here](#).

NATIONAL

OSHA Issues Enforcement Guidance on Recording COVID-19 Cases

OSHA issued [guidance](#) relating to the recordability of COVID-19 cases for employers. In short, OSHA has stated that it will not enforce the recordkeeping standard, 29 C.F.R. Part 1904, against the majority of employers due to the difficulty in determining whether an employee contracted COVID-19 at work unless there is objective evidence of work-relatedness.

Previously OSHA took the position that COVID-19 can be a recordable illness if a worker is infected as a result of performing their work-related duties. In the new guidance today, OSHA is exercising its enforcement discretion and will not enforce the recordkeeping requirements for employers, unless that employer is in the healthcare industry, emergency response organizations (medical, firefighting or law enforcement) or correctional facilities. OSHA specifically stated, "In areas where there is ongoing community transmission, employers other than those in the healthcare industry, emergency response organizations (e.g., emergency medical, firefighting, and law enforcement services), and correctional institutions may have difficulty making determinations about whether workers who contracted COVID-19 did so due to exposures at work. In light of those difficulties, OSHA is exercising its enforcement discretion in order to provide certainty to the regulated community.

While the memorandum is less clear about *reporting* COVID-19 positive cases, it is reasonable to infer that if a case is not recordable because it is difficult to determine work-relatedness, then that equally applies to reporting such cases where appropriate criteria, such as a fatality or in-patient hospitalization was met. Hopefully OSHA will clarify the scope of this enforcement guidance so employers can rest assured they are in full compliance with OSHA requirements. To read the press release, click [here](#). To read the enforcement guidance, click [here](#).

IRS Loosens Timelines for 1031-Exchange Buyers

The [IRS issued Notice 2020-23](#) Providing Additional Relief for Taxpayers Affected by the COVID-19 Pandemic. Affected Taxpayers performing Section 1031 exchanges are included in the amplified relief. Among other subjects, this Notice extends the 45-day identification period and the 180-day exchange period for taxpayer/exchangers whose deadlines were due on or after April 1, 2020. The deadlines for those exchangers to identify replacement property and/or acquire replacement property are now July 15, 2020. It is important to note that there is no retroactive effect if the 45-day identification deadline and 180-day exchange period were before April 1, 2020.

Center for Disease Control and Prevention Guidance

The Center for Disease Control and Prevention (CDC) has also established guidance to assist employers to plan, prepare and respond to COVID-19. The pertinent recommendations include guidelines such as:

- Precautions to reduce transmission among employees: such as actively encourage sick employees to stay home, separating sick employees, and educating sick employees regarding how they can reduce the spread of COVID-19;

- Managing healthy business operations: such as implementing flexible sick leave and supportive policies and practices, assessing the employer's essential functions and reliance that others and the community have on its services or products, determine how to continue operations if absenteeism spikes, and establishing policies for social distancing; and
- Maintaining a healthy work environment by increasing ventilation rates and the percentage of outdoor air that circulates into the systems, as well as establishing sanitization practices to maintain a clean and sanitized work environment.

The CDC guidance and applicable resources can be found [here](#).

CLIENT SPOTLIGHT

Decontamination Services

This week, we want to highlight the important work our client, ANCON, has performed during the COVID-19 crisis and how their services can be of use to you.

ANCON is a turnkey industrial service company that provides decontamination services, as well as Bio-Haz emergency and planned responses. Weekly, their services have been used for Caltrans, homeless camp clean-ups, Los Angeles and Long Beach Ports, Carnival Cruise Lines, as well as companies like Walmart and Target. They have specific COVID-19 science-based remediation protocols and procedures and they have worked on many of the sites mentioned in news reports during the last nine weeks. They just recently cleaned the Fire Station in Long Beach, where eight firefighters tested positive for COVID-19 and were called in to clean the cruise ship that was stationed outside of Oakland a few weeks ago. Also, ANCON has a team that clean 24/7 in between every shift in the Ports for the workers that are on the frontlines of this crisis.

Whether it be municipal facilities such as jails, hospitals, fire stations, or private companies like casinos, factories/warehouses, or stores- whatever needs to be cleaned and sanitized during this scary time- ANCON can handle. They also specialize in working with government to get reimbursements at the state and federal levels if applicable. ANCON is a Los Angeles based contractor that is 100% family-owned and operated since 1968. ANCON has over 200 field employees in California.

If you are interested in utilizing ANCON's services to decontaminate your business or facility professionally, please reach out to EKA, and we will be happy to connect you.

WHAT WE'RE READING

SBA Rations Disaster Relief Loans To \$15,000 Per Applicant

The U.S. Chamber of Commerce is urging Congress to act quickly as a new survey shows more than half of small businesses either are closed or might close within weeks

Small businesses don't appear to be able to get anything close to \$2 million. Those that apply "will likely be given maximum loans of \$25,000-\$35,000 (as opposed to the advertised \$2 million cap for EIDLs)," Tom Sullivan, the U.S. Chamber of Commerce's vice president for small business policy, wrote in an internal email on Thursday evening, which was obtained by POLITICO. Click [here](#) to read the entire story.

No, You Don't Need To Disinfect Your Groceries. But Here's How To Shop Safely

The vast majority of the country is under lockdown right now. But stay-at-home orders come with a few caveats — like grocery shopping. Many of us are still venturing out to stock up on food and toiletries. But what's the safest way to shop during this pandemic? And what should you do once you've brought your haul home? We asked infectious disease, virology and food safety experts to share their tips about safe grocery shopping — and what you can stop worrying about. Click [here](#) to read more.

CARES Act and Its Impact on Independent Contractors and Gig Workers

On March 27, 2020, President Donald Trump signed the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#). Among other important provisions, the CARES Act dramatically expands the availability of unemployment insurance (UI) benefits to workers impacted by COVID-19 who otherwise would not normally receive such benefits, including independent contractors and other so-called gig workers. The law (1) expands the definition of workers eligible to receive benefits, (2) increases the amount of available benefits, and (3) extends the time during which benefits may be collected. Click [here](#) to read more.

California Employer's Call-In Policy Triggers Reporting Time Pay

"Reporting time" pay must be paid when an employee is required to call in before their shift to find out if they have to work that shift. On March 19, 2020, the United States Court of Appeals for the 9th Circuit in [Herrera v. Zumiez, Inc.](#) sided with the California Court of Appeal in [Ward v. Tilly's Inc.](#), 243 Cal. Rptr 3d 461 (Ct. App. 2019), *review denied* (May 15, 2019), holding as much. In light of the California Supreme Court's decision to not review the Ward decision, employers must follow *Herrera* and *Ward* and must carefully review their call-in practices to avoid reporting time pay liability. Click [here](#) to read more.

San Francisco Emergency Order Says Delivery Apps Must Cap Restaurant Fees at 15 Percent

In an emergency order backed by San Francisco's mayor and two members of its Board of Supervisors, the city says that delivery companies that wish to continue to operate in the city must cap the fees they charge restaurants at 15 percent. Click [here](#) to read more.

COVID-19 RESOURCES

Los Angeles County

covid19.lacounty.gov

Los Angeles County Department of Public Health

ph.lacounty.gov/media/Coronavirus

Riverside County

<https://rivcoph.org/coronavirus>

San Bernardino County

<http://wp.sbcounty.gov/dph/coronavirus>

Ventura County

<https://www.vcemergency.com>

San Diego County

<https://www.sandiegocounty.gov/coronavirus.html>

Orange County

<https://occovid19.ochealthinfo.com>

Help for Victims of Domestic Violence

<https://corona-virus.la/DVResources>

Free Testing for Eligible Residents

<https://lacovidprod.service-now.com/rrs>

Free Mental Health Services

<https://dmh.lacounty.gov/covid-19-information/>

City of Los Angeles

coronavirus.lacity.org

City of Long Beach

<http://www.longbeach.gov/health/diseases-and-condition/information-on/coronavirus/>

Culver City

<https://www.culvercity.org/live/public-safety/emergency-preparedness/current-disaster-information>

State of California Coronavirus (COVID-19) Response

<https://covid19.ca.gov>

Centers for Disease Control and Prevention COVID-19

<https://www.cdc.gov/coronavirus/2019-ncov/>