

## COVID-19 Update From EKA – April 20, 2020

If you have any questions or if we can be of any assistance, please reach out to EKA, and we will be happy to assist you. Several people have asked if they can share our email updates with their friends and colleagues, and the answer is yes.

### Stay At Home Order Day 33

Today is day 33 of the [statewide "Stay-at-Home" Order](#). 41 Days ago, the World Health Organization declared COVID-19 a pandemic.

### Previous EKA Updates

Several people have asked where they can find the EKA document “Resources Available to Businesses During the COVID-19 Pandemic”. To view the document, click [here](#). If you would like to view previous EKA COVID-19 updates, click [here](#).

### COVID 19 Required Postings

Several people have requested that we resend the required notice that employers with fewer than 500 employees **are required to post**. The notice regarding employee rights under the Families First Coronavirus Response Act (FFCRA) must be posted in a conspicuous location. The FFCRA provides Emergency Paid Sick Leave and Emergency FMLA leave. The employee rights poster can be found [here](#). For federal employers, the poster can be found [here](#). Since many, or most, workers are now teleworking, the Department of Labor stated that an employer could satisfy the posting requirement by emailing or direct mailing this notice to employees or posting this notice on an employee information internal or external website. Additional answers to poster questions from the Department of Labor can be found [here](#).

### Paycheck Protection Program Update

The \$349 billion Paycheck Protection Program, which offers forgivable loans to small businesses, ran out of money on Thursday. Democrats rejected a proposal to refill the fund two weeks ago. They instead argued for changes, including adding more money to support federal testing, hospitals and local governments. They've also pushed to ensure groups without banking relationships get access to the program and SNAP benefits. As of last night, Senate Democrats and Republicans were negotiating a deal that would allocate \$310 billion more into the Paycheck Protection Program, setting aside \$60 billion for rural and minority groups. The remaining \$60 billion would go to the Economic Injury Disaster Loan program, a separate program offering loans for small businesses. According to media reports, Treasury Secretary Mnuchin told Republicans on yesterday that open items are limited to increased federal funds for coronavirus testing.

## LOS ANGELES COUNTY

### Face Covering Guidance

The [County of Los Angeles Department of Public Health](#) is advising members of the public to use a clean non-medical face covering anytime they will be in contact with other people who

are not household members, in public or private places. L.A. County residents [are required to wear a face covering](#) over their nose and mouth if they are working, shopping at or visiting a grocery store, restaurant or other essential businesses.

### **Same-Day COVID-19 Testing**

Free, same-day tests are now available for all L.A. County residents who have symptoms of COVID-19. Symptoms include fever, cough, and difficulty breathing. Click [here](#) to request a test appointment. There are NO walk-up appointments available for people who do not register. There is a helpful [instructional video](#) to prepare you to take the test. Test results may take up to 3-4 days. Positive test results will be notified with a phone call. Negative test results will be notified by email.

## **CITY OF LOS ANGELES**

### **LA City Budget to Include Service Cuts, Furloughs**

Mayor Eric Garcetti will release his proposed budget for the 2020-21 fiscal year today. Last night in his State of the City address, he warned that the economic turmoil brought on by the coronavirus will force the City to reduce some services and furlough many municipal employees for about a month. The Mayor noted that the City has built up formidable reserve funds in recent years, but even with those rainy day funds, the revenue shortfalls caused by widespread business shutdowns, a virtual halt to tourism and spiking unemployment will have repercussions at City Hall. Garcetti said his 2020-21 budget proposal will be "a document of our pain." The Mayor stressed that budget-cutting would mostly spare critical services, such as police and fire protection and other. He made several pointed calls during his speech for federal assistance for cities, including a request to use Section 8 housing resources to help homeless people stay off the streets once they leave temporary shelters or hotels and motels where many are being moved to protect them from COVID-19.

The Mayor said evictions and foreclosures should be stopped across the nation during the pandemic, similar to measures Los Angeles has already implemented. He said the federal government needs to help the cities that have made significant expenditures to assist their residents and cut jobs due to crashing revenue during the pandemic. He also called for a national infrastructure bill and to make college free. One of the biggest declines in revenue the City has experienced is through its airports, which have seen a 95% reduction in air traffic, as well as tourism and entertainment industries, which have been temporarily shuttered. The Port of Los Angeles has also been operating at about 75% to 85% compared to last year since the pandemic affected global trade.

The Mayor conceded that stay-at-home orders cannot remain in place indefinitely "without risking an even greater economic catastrophe." He again laid out the series of benchmarks we have previously covered in our updates that the City will use as it weighs when to lift restrictions. He said as the City eventually reopens, everyday life will be dramatically different, and he doesn't want to simply "recapture the past when we have the blueprint of the City of

the future." City Controller Ron Galperin estimated last week the City will fall about \$231 million short in projected revenue this fiscal year, and as much as \$598 million next year. He said the shortfalls will strain the City's ability to provide services and will require "some very difficult budgeting decisions" this year and in the future. The Mayor's budget proposal is expected to be released today online at 1 p.m. either on the Mayor's website at lamayor.org or the City's at lacity.org.

The full text of the Mayor's speech is available [here](#). A video of the speech can be found [here](#). The introductory video can be found [here](#).

### **Hospitality Right of Recall and Worker Retention Ordinance**

On Wednesday, the [Los Angeles City Council](#) will be considering a Right of Recall ordinance that is exclusively directed towards businesses in the hospitality industry - including hotels, janitorial, stadiums, airport services and event centers. The Hospitality Recall Ordinance would:

- Require businesses that have discharged employees to offer those discharged employees all positions which become available for which the employees are qualified.
- Require businesses to offer positions to an employee with the greatest length of service should more than one employee be qualified for a position.
- Require businesses to extend these offers of employment in writing, by mail to their last known physical address, and by email and text message
- Require a 10-day waiting period after a business has recalled an employee in which the employee would need to accept or decline the offer.
- Requires businesses that decline to recall employees based on a lack of qualifications and hires a new employee to provide a written notice to the discharged employee, along with reasons for the decision, within 30 days of the new hire.
- Would extend existing worker retention law to apply to stadiums, janitorial, airport services and event centers in Los Angeles.
- Be retroactive to January 31, 2020.
- Allow employees to take legal action against an employer for alleged noncompliance, even for mistaken allegations that are "made in good faith."
- Be in effect indefinitely, therefore extending these provisions beyond the time frame of the current local emergency and making them permanent fixtures.

Click [here](#) to read the CLA report. Click [here](#) to read the Hospitality Recall Ordinance.

### **Creating Cares Corps**

Mayor Garcetti is calling for the creation of CARES Corps, a federally-funded initiative that would strengthen the response to COVID-19 and help accelerate economic recovery from the crisis. The Mayor with co-authors Oklahoma City Mayor David Holt and Dr. Mark McClennan, Director of the Duke-Margolis Center for Health Policy at Duke University, wrote an [op-ed for CNN](#) laying out the [proposal](#) in detail.

### **Meals For Seniors**

The City has launched the Emergency Senior Meals Response program so seniors in need can have healthy meals delivered to their homes. City of L.A. residents ages 60 and older who are not currently participating in other meal programs can [apply online](#).

### **Library resources for families**

Even though branches are closed, L.A. City Public Library continue to offer our kids a broad universe of learning support, such as tutoring assistance and online storytime. Click [here](#) for more information.

### **Street Work**

The City has shifted street paving and some street sweeping from residential streets to [major corridors](#). With this change, the City hopes that many projects will be completed more quickly, and those staying at home will be less impacted by noise and disruption.

## **LONG BEACH**

### **COVID-19 Business Survey**

The City of Long Beach Economic Development Department is partnering with the [Council of Business Associations](#), [Downtown Long Beach Alliance](#) and the [Long Beach Area Chamber of Commerce](#) to administer the COVID-19 Business Impact Survey. The [COVID-19 Business Impact Survey](#) is intended to evaluate the impacts to Long Beach businesses caused by COVID-19 and determine what resources may be necessary to aid in the resiliency and recovery of all businesses citywide. To participate, click [here](#). The survey will close on Friday, May 1, 2020.

### **Mobile Assessment Team**

The Long Beach Fire Department has implemented a newly created Mobile Assessment Team (MAT) specifically assigned to transport individuals with confirmed positive results or positive screenings of COVID-19, in an effort to limit the spread of COVID-19 to other patients, hospital staff and first responders. The team will be staffed 12 hours a day, seven days a week. The MAT, which consists of two Lbfd paramedics and one ambulance, responds from central locations within the City to facilitate a rapid response. The team also provides patient assessments, treatment and transportation to local area hospitals as needed, following Los Angeles County emergency medical services protocols

## **VENTURA COUNTY**

### **Stay At Home Order Eased**

Over the weekend, Ventura County extended the "Stay-Well-At-Home Order" to May 15 and eased restrictions on gatherings and non-essential business closures to be lifted. The new Order allows for some businesses that don't serve the public to operate using any more than ten employees. Gatherings of up to five people are now permitted, as are gatherings in vehicles. Golf courses and bike shops can reopen, and in-person sales of vehicles are now permitted. All retailers and other non-essential storefronts that require interfacing with members of the public are required to remain closed as long as the public health order is in place. To read the Ventura County Press Release, click [here](#). To read the 19-page Order, click [here](#).

## SACRAMENTO

### **Executive Order on Actions in Response to COVID-19**

Governor Newsom signed an executive order addressing a variety of issues in response to the COVID-19 pandemic, including adjusting admissions requirements for the California State University system and providing flexibility for 60 days on background checks for critical infrastructure sectors.

Specifically, the CSU system will be able to waive hearing requirements to be able to make adjustments to admissions criteria for students applying this coming fall to enter as freshmen in the fall of 2021. Additionally, the Order will allow the California Department of Justice to develop procedures to perform name-based background checks to protect health and safety and avoid delays in processing employment for critical sectors, such as health care services and care and support for vulnerable populations.

The Executive Order also will allow federal stimulus checks to flow directly to custodial parents owed back child support payments and will additionally let for commercially licensed food trucks to be able to temporarily operate in roadside rest areas for 60 days to ensure essential infrastructure workers have access to food. Caltrans will be charged with developing and implementing a process to administer the temporary permits. The text of the Governor's Executive Order can be found [here](#), and a copy can be found [here](#).

### **New order speeds return of COVID-19 test results**

Governor Newsom last week signed an Executive Order to speed up the process for returning COVID-19 test results to patients. The Order specifically suspends a health and safety code that requires a health care professional to review results before disclosing them to a patient via the internet or other digital means.

The disclosure of test results, however, must be done in accordance with an order of the state public health officer or a local public health officer, and with forthcoming guidance from the California Department of Public Health, according to Newsom's Order. The Order addresses several other issues related to the coronavirus pandemic and the ongoing need for social distancing. The California State University system, for example, will not have to hold public hearings before making changes to admissions criteria for fall 2021 freshmen applicants.

The Order responds to a shortage of fingerprinting services and allows the California Department of Justice to develop procedures to perform name-based background checks to ensure there is no delay in processing employment for critical sectors. Federal stimulus checks will also flow directly to custodial parents owed back child support payments rather than the State, and food truck operators will be able to temporarily operate in roadside rest areas to ensure critical infrastructure workers have access to food. The full text of the Order is available [here](#).

### **Highway Rest Stops & Overweight Trucks**

Caltrans announced that food trucks would be allowed to operate at the 86 state rest areas in California during the COVID-19 pandemic to provide access to food for highway motorists, including truck drivers. Caltrans will also temporarily issue special permits for overweight trucks transporting emergency supplies in support of COVID-19 relief. The permits increase the maximum allowable gross vehicle weight from 80,000 to 88,000 pounds and will be valid until further notice.

### ***Business and Jobs Recovery Task Force***

Bringing together leaders across California's diverse, innovative economic and social sectors to chart a path forward on recovery in the wake of COVID-19, Governor Newsom formed a state Task Force on Business and Jobs Recovery. The Task Force will be co-chaired by Governor Newsom's Chief of Staff Ann O'Leary and philanthropist, environmentalist and businessman Tom Steyer, who was also appointed Chief Advisor to the Governor on Business and Jobs Recovery. He will receive no compensation for his service. Read the full list of Task Force members [here](#).

## **NATIONAL**

### **Federal Reserve Announces Main Street Lending Program**

The Federal Reserve established a \$600 billion lending program to aid small and medium-sized businesses affected by the COVID-19 pandemic. The new initiative—the [Main Street Lending Program](#)—will purchase qualifying loans from lenders that lend to U.S. businesses with up to 10,000 employees or up to \$2.5 billion in 2019 annual revenues. Firms that have taken advantage of the Small Business Administration's previously announced Paycheck Protection Program are eligible to participate in the Main Street program. Loans will be extended through regulated banking organizations. Only U.S. insured depository institutions, U.S. bank holding companies and U.S. savings and loan holding companies are eligible to extend loans under the program. Eligibility criteria address both the borrower and the underlying loan terms. To qualify for participation, a borrower must be a business with up to 10,000 employees or up to \$2.5 billion in 2019 revenue. Click [here](#) to view additional details.

### **CARES Act Oversight**

The CARES Act built-in oversight and enforcement measures related to disbursements of funds made through these new economic relief programs. New enforcement and oversight bodies will work with the U.S. Department of Justice (DOJ) and the state attorneys general, all of which have already committed to fighting COVID-19 related fraud and abuse.

Law enforcement has already started taking action to curb fraud related to COVID-19. The U.S. Attorney General directed all U.S. Attorneys to prioritize investigation and prosecution of coronavirus-related fraud schemes. In a memorandum, each U.S. Attorney was directed to appoint a Coronavirus Fraud Coordinator to 1) serve as legal counsel for the federal judicial district on coronavirus matters, 2) direct prosecution of coronavirus-related crimes, and 3) [to conduct outreach and awareness](#). In Southern California, we have already seen a resident

[claimed to have personally developed a "patent-pending cure"](#) and a treatment that prevents coronavirus infection, even though there is no specific antiviral treatment for COVID-19 and no vaccine to prevent infection.

### **COVID-19 Cleaning**

Not all businesses are closed during this pandemic. Some essential businesses remain open and some essential workers may occasionally enter office spaces to administer payroll, cut checks, etc. One thing we have learned in recent weeks is that the COVID-19 virus can remain on hard surfaces, like a doorknob, phone or keyboard, for days. By touching a surface or object that has the virus on it and then touching their own mouth, nose or possibly their eyes," a person could become ill with COVID-19, the respiratory disease caused by the coronavirus, [warned](#) the Centers for Disease Control and Prevention (CDC). This makes cleaning office spaces incredibly important, and even more important after a person suspected or confirmed to have COVID-19 has been in the facility. Stay on top of best practices by frequently visiting the [guidance from CDC](#), as updates are regularly made. [OSHA](#) also provides workplace cleaning information. The CDC [guidance](#) also discusses how to clean soft surfaces, like carpets and curtains and how to launder towels, clothes, or other linens. (Healthcare operations have their own guidance not covered here.)

### **Cleaning After Someone is Suspected or Confirmed of COVID-19**

If someone has entered your business who is either suspected or confirmed to have COVID-19, cleaning and disinfection is extremely important and CDC has [updated recommendations](#). Review all of the CDC recommendations. If you need decontamination services, EKA's client ANCON can help with COVID-19 crisis decontamination services and biohazard emergencies. Their services have been used for Caltrans, homeless camp clean-ups, at the Los Angeles and Long Beach Ports, Carnival Cruise Lines, as well as companies like Walmart and Target. If you need ANCON's services to decontaminate your business or facility professionally, please reach out to EKA, and we will be happy to connect you with ANCON.

## **WHAT WE'RE READING**

### **Coronavirus Increases Job Loss, Mental Distress, Pessimism**

New survey findings reveal that an estimated 25.5 million jobs have been lost since mid-March. Americans are experiencing greater economic insecurity, limited access to unemployment benefits and increased psychological distress. And along all dimensions, people of color have been disproportionately impacted, according to a discussion released along with the survey. The Understanding Coronavirus in America Study, led by the USC Dornsife Center for Economic and Social Research and supported by the Bill and Melinda Gates Foundation and USC. To see the data, click [here](#). To read the study, click [here](#).

### **Millions Of CA Strawberries Might Be Thrown Away**

**Tens of millions of pounds of fresh food – including vegetables, fruit, and milk – are going to waste in the U.S., during coronavirus lockdown.** A staggering amount of fresh produce, worth



billions of dollars, is going to waste. Because of COVID-19, in California 24 million pounds of strawberries each week might get thrown in the trash. To read the full article, click [here](#).

### **California jobless claims slow, still 16 times normal pace**

The pace of Californians filing for unemployment benefits cooled last week. But that's about the only good news from the weekly tally of initial jobless claims. In the week ended April 11, 660,966 filings were made statewide, according to the U.S. Department of Labor. Yes, that's down 257,848 in seven days, but it's still huge. To read the full article, click [here](#).

### **Big restaurant chains get small business aid, sparking backlash**

The Paycheck Protection Program is aimed at businesses with 500 or fewer employees, but large restaurant and hotel chains can participate/ To read the full article, click [here](#). We should note that after receiving a \$10 million loan from the government's Paycheck Protection Program, Shake Shack announced yesterday it would return it so the cash can help more needy businesses. Click [here](#) to read the entire story.

### **California senators frustrated by few answers, tech glitches in virtual hearing**

Senators wore face masks and grilled officials about Gov. Gavin Newsom's \$1.4 billion deal to buy masks and other protective gear — but got few answers during their first hearing on the State's effort to stem the spread of coronavirus. To read the full article, click [here](#).

### **California's attorney general defends virus shutdowns**

In an interview with The Associated Press, Attorney General Xavier Becerra said officials have broad authority to do what they think is necessary to slow the spread during the virus pandemic, even if that trumps normal fundamental freedoms. To read the full article, click [here](#).

### **Americans face a long road back to pre-coronavirus normalcy**

After flattening the curve, Americans should expect a number of curveballs. Once the immediate crush of [COVID-19](#) cases subsides, epidemiologists say a "post-peak" purgatory lies ahead until a vaccine can be discovered and disseminated that would allow a return to normalcy. "When this lockdown ends, it's not going to be like one day you're in your house and the next day you're taking the metro to the ballgame," said Dr. Robert Murphy, the director of the Institute for Global Health at Northwestern University Feinberg School of Medicine. "It's not going to happen like that. It's going to be gradual.

To read the full article, click [here](#).

**Note:** *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.*

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