

## COVID-19 Update From EKA – April 2, 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 crisis. 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.

### Centers for Disease Control and Prevention

The Centers for Disease Control and Prevention (CDC) issued five new guidance documents on several issues related to COVID-19. Below is what is new from the CDC:

- [Disinfecting Your Facility if Someone is Sick](#)
- [Healthcare Infection Prevention and Control FAQs for COVID-19](#)
- [Communication Resources for Travelers](#)
- [Resources to support people experiencing homelessness](#)
- [Public Service Announcements \(PSAs\)](#)

## COUNTY OF LOS ANGELES

### Testing Centers to Open Today

Los Angeles County is opening three more drive-up coronavirus testing sites today, while planning continues for at least three more. The sites opening today are at the Pomona Fairplex at Gate 17, W. McKinley/Fairplex Drive; the South Bay Galleria at 1815 Hawthorne Blvd., Redondo Beach; and the Antelope Valley Mall at 1233 Rancho Vista Blvd., Palmdale. Testing is by appointment only. Walk-up appointments are not available. Additional sites in Northridge, Long Beach, Lancaster and Pasadena are in the planning stages, and sites in Lancaster and Glendale are already operating. Anyone interested in getting tested must first register. Click [here](#) to register on the screening website.

### Temporary Rent "Freeze" and Eviction Moratorium

As mentioned in our previous updates, the Los Angeles County Board of Supervisors unanimously ratified the March 19<sup>th</sup> Executive Order establishing a temporary moratorium on evictions for non-payment of rent by residential and commercial renters impacted by the COVID-19 Pandemic. To review the March 19th Executive Order and the amendments, please see the following:

- [March 19<sup>th</sup> Executive Order](#)
- [Rent Freeze Amendment](#)
- [Supervisor Solis Motion](#)

The Apartment Association of Greater Los Angeles issued a very useful overview. To read the document, click [here](#).

## LOS ANGELES

### Food Pick-Up Parking Zones for Restaurants Affected by COVID-19

LADOT has launched a new service to install temporary food pick-up parking zone signs near restaurants. The new signs will be supplied and installed free of charge near restaurants and other

food providers that apply and are approved to receive a sign. To view the application, click [here](#). The new program is designed to help restaurants by providing additional short-term parking options as they seek to accommodate the increased demand for food pick-up. While restaurants are currently closed to dine-in customers, many continue to rely on pick-up and delivery as a source of revenue. Upon receiving an application, LADOT will review the request. When an application is approved, LADOT will print and install the sign free-of-charge within two business days. The new sign will designate a single parking spot where customers may park while they pick-up food from a nearby business. Motorists will not be allowed to use the spot for longer than 10 minutes.

### **St. Vincent Medical Center**

Dr. Patrick Soon-Shiong (owner of the Los Angeles Times) and his wife Michele Chan are seeking to have their foundation purchase the shuttered St. Vincent Medical Center in the Westlake District and turn it into a hospital for coronavirus patients and research, run the Chan Soon-Shiong Family Foundation. They have offered to purchase St. Vincent for \$135 million out of bankruptcy. The state's medical staff will run the hospital, according to the [Wall Street Journal story](#). A judge approved the Chan Soon-Shiong Family Foundation as the lead bidder for the hospital at a federal bankruptcy court hearing.

### **Non-Medical Face Coverings**

Yesterday, Mayor Garcetti urged residents to wear non-medical face coverings when in public. New data suggests that asymptomatic people may be carriers of the coronavirus and may be unknowingly spreading the virus to others. The non-medical face covering can help reduce the spread of COVID-19 by reducing the amount of virus expelled into the air when an asymptomatic person exhales. The LAFD and LAPD are supporting the Mayor's request in order to enhance the protection of their employees. The LAPD today strongly encouraged their employees to wear available surgical masks or cloth non-medical face coverings any time they are in public or other times they feel it is necessary. To read the new guidance to L.A. residents on the importance of wearing face coverings in public, click [here](#). Click [here](#) to read the California Department of Public Health public guidance on the use of face coverings.

## **LONG BEACH**

### **The Los Angeles County Federation of Labor Long Beach Petition**

The Los Angeles County Federation of Labor, AFL-CIO has begun a petition in Long Beach demanding that the Long Beach City Council do more to protect workers. They are calling the Council to:

- The city should guarantee workers at least 14 days of additional paid sick leave effective immediately.
- Workers should be protected from termination without just cause so no one can be punished for requesting sick leave or because they were quarantined. Workers must feel safe to stay home through their illness for the sake of public safety. We must protect the livelihood of workers by upholding the just cause, worker retention and right of recall policies to stop unscrupulous employers from unjustly terminating workers during this crisis and to ensure that when it is safe to return to work, they still have jobs to return to.

- Prioritize the workplace health and safety of workers, including mandated paid time for and access to hand-washing and sanitizing, provision of appropriate personal protective equipment and appropriate training for those still at work, especially grocery workers, food service workers, and delivery drivers. There should be a requirement for delivery platforms to provide drivers with hand sanitizer, disinfecting cleaning products and personal protective equipment. Training delivery drivers on food handling requirements, and prohibit companies from retaliating

To view the petition, click [here](#).

## CULVER CITY

### *New Public Order*

Yesterday, the City Manager issued a [Fourth Supplement to Public Order](#) ("Fourth Supplement") which follows previous orders issued on [March 16](#) (Public Order), [March 20](#) (First Supplement), [March 27](#) (Second Supplement), and [April 1](#) (Third Supplement). The Public Order clarifies and expands on which activities are exempt (allowed to continue) and non-exempt (not allowed to continue), as well as types of essential businesses. The Fourth Supplement mirrors the Revised Safer at Home order issued by City of Los Angeles Mayor Eric Garcetti on April 1, 2020. Businesses that provided storage for products needed for people to work from home main remain open.

## SACRAMENTO

### **Reprieve On Sales Tax For Small Businesses**

Governor Newsom took a series of actions intended to help California's small businesses and struggling workforce during COVID-19. As part of the state's actions, the Governor though an [Executive Order](#), is granting a one-year sales tax reprieve to small businesses. The Governor said small businesses could take out a \$50,000 loan and not have to pay the sales tax.

### **Paycheck Protection Program**

In addition to the sales tax reprieve, the Governor announced the Paycheck Protection Program -- which will reimburse businesses up to \$10 million as long as businesses commit to paying employees. The Paycheck Protection Loan Guarantee Program is open to small businesses with fewer than 500 employees, but self-employed people, freelance or gig economy workers are also encouraged to apply. The Governor said, "If you commit to keeping your employees, even if you have no business, even if your business is closed, this is a grant program — not a loan program — where you are reimbursed for your cost. Applications can be submitted [here](#), beginning today.

### **New Website**

The governor also announced a new website, in partnership with Central Valley-based company Bitwise, Salesforce and LinkedIn, to connect California workers with available jobs. [Onwardca.org](#) will match job seekers with employers during the Pandemic. The Governor said there are 70,000 available jobs on the website. The jobs are primarily in the agriculture, logistics, transportation and grocery industries.

## **Executive Order on Water Shutoffs**

Governor Newsom today signed an executive order that will restrict water shutoffs to homes and small businesses while the state responds to the COVID-19 Pandemic. The order protects consumers who may not be able to pay for their water service from shutoffs. Already, over 100 public and private water systems across California have voluntarily suspended water shutoffs for non-payment as a result of COVID-19. Under the order, the State Water Resources Control Board will issue best practices and guidelines on support for the state's water systems during this time. Additionally, the executive order will restore water for occupied residences that may have had their water shut off as of March 4, 2020, which is when the Governor proclaimed a state of emergency due to COVID-19. A copy of the Governor's executive order can be found [here](#), and the text of the order can be found [here](#).

## **Alcoholic Beverage Control**

The California Department of Alcoholic Beverage Control (ABC), has announced [new regulatory relief](#), encompassing four main topics, to help California's alcoholic beverage industry during the COVID-19 Pandemic. This second wave of regulatory relief is in effect immediately, and is in addition to the eight topics previously announced in the department's [Notice of Regulatory Relief](#) on March 19. The ABC has temporarily suspended enforcement of a number of specific restrictions related to the following activities:

- Free delivery of alcoholic beverages
- Delivery hours of alcohol to retailers extended to midnight
- Certain charitable promotions related to sales of alcohol
- Distilled spirits manufacturers providing high-proof spirits for disinfection purposes

The original Notice of Regulatory Relief on eight topics, and the new second wave covering four areas announced are designed to support the alcoholic beverage industry in its efforts to help California slow the spread of the virus while assisting the industry deal with the economic challenges it is facing as a result. ABC has developed a list of [Frequently Asked Questions](#) as well as a tool to provide [Guidance by License Type](#). ABC offices were closed to the public effective March 20, 2020. The closures are temporary during the COVID-19 Pandemic to help slow the spread of the virus. During this time, ABC will continue to accept mail-in license applications, and ABC staff will continue to process those applications for permanent licenses, and renewal of licenses. ABC staff will also be available to answer questions and receive information via phone, email, and regular mail.

## **School Closures**

According to a story from the Public Policy Institute of California, All but one of California's K–12 schools have closed in response to the COVID-19 Pandemic, causing massive disruptions for the state's 6.2 million students. This week, Governor Gavin Newsom announced that closures are expected to continue through the end of the school year, although the final decision rests with local officials. To read the entire article, click [here](#).

## **State Taxes**

As a reminder, due to the COVID-19 Pandemic the filing deadline for both state and federal taxes has been extended to July 15, 2020. State Attorney General Becerra put information on his

website that offers consumers information to help make filing taxes safer. To review tips and resources available, click [here](#).

## NATIONAL

### Tax Credits

The emergency paid sick leave (EPSL) and emergency family medical leave (EFLMLA), under the Families First Coronavirus Response Act (FFCRA) both went into effect on April 1, 2020. Companies can receive tax credits with the proper FFCRA documentation. [FFCRA and the Payroll Tax Credit](#): One thing we know for sure is that employers who pay qualifying FFCRA sick or childcare leave to their employees will receive 100% reimbursement through payroll tax credits. Employers can retain an amount of the payroll taxes equal to the amount of qualifying sick and childcare leave that they paid out, rather than depositing those taxes with the IRS.

- Eligible employers can either claim the credits on their federal employment tax returns (e.g., [Form 941, Employer's Quarterly Federal Tax Return](#))
- Or, if there are not sufficient payroll taxes to cover the cost of qualified paid leave, employers submit a [Form 7200, Advance Payment of Employer Credits Due to COVID-19](#) (new)

### Proof and Documentation

A frequent question received by EKA this week is, "What type of documentation must an employer obtain to substantiate both the need for leave and, more importantly, the eligibility for the tax credit?" Thankfully, the IRS has answered this question in a [series of FAQs](#), and the Department of Labor has issued new regulations. Taken from the IRS FAQs, combined with additional information from [the regulations](#):

#### **44. What information should an Eligible Employer receive from an employee and maintain to substantiate eligibility for the sick leave or family leave credits?**

An Eligible Employer will substantiate eligibility for the sick leave or family leave credits if the employer receives a **signed statement** from the employee in which the employee provides:

1. The employee's name
2. The date or dates for which leave is requested
3. A statement of the COVID-19 related reason the employee is requesting leave
4. A statement that the employee is unable to work, including by means of telework, for such reason

Additional documentation can be required depending on the reason for the leave. In the case of a leave request based on a **quarantine order or self-quarantine advice**, the statement from the employee should include the name of the governmental entity ordering quarantine or the name of the health care professional advising self-quarantine, and, if the person subject to quarantine or advised to self-quarantine is not the employee, that person's name and relation to the employee. In the case of a leave request based on a **school closing or childcare provider unavailability**, the statement from the employee should include:

1. The name and age of the child (or children) to be cared for
2. The name of the school that has closed or place of care that is unavailable
3. A statement that no other person will be providing care for the child during the period for which the employee is receiving family medical leave
4. With respect to the employee's inability to work or telework because of a need to provide care for a child older than fourteen during daylight hours, a statement that special circumstances exist requiring the employee to provide care

#### **45. What additional records should an Eligible Employer maintain to substantiate eligibility for the sick leave or family leave credit?**

An Eligible Employer will substantiate eligibility for the sick leave or family leave credits if, in addition to the information set forth in FAQ 44 ("What information should an Eligible Employer receive from an employee and maintain to substantiate eligibility for the sick leave or family leave credits?"), the employer creates and maintains records that include the following information:

1. Documentation to show how the employer determined the amount of qualified sick and family leave wages paid to employees that are eligible for the credit, including records of work, telework and qualified sick leave and qualified family leave.
2. Documentation to show how the employer determined the amount of qualified health plan expenses that the employer allocated to wages. See FAQ 31 ("[Determining the Amount of Allocable Qualified Health Plan Expenses](#)") for methods to compute this allocation.
3. Copies of any completed Forms 7200, Advance of Employer Credits Due To COVID-19, that the employer submitted to the IRS.
4. Copies of the completed Forms 941, Employer's Quarterly Federal Tax Return, that the employer submitted to the IRS (or, for employers that use third party payers to meet their employment tax obligations, records of information provided to the third party payer regarding the employee)

#### **Fair Information Practice Principles**

Privacy and cybersecurity should be considered as organizations think about how to tackle the effects of the coronavirus ("COVID-19") outbreak. Questions to consider include: (1) What is considered "reasonable security procedures" when businesses are forced to abruptly shift to a remote workforce? (2) How should businesses balance employees' privacy rights against the need to keep businesses up and running? (3) What steps can a business take now to prevent itself from becoming COVID-19's virtual victim? An article from [LexBlog](#) provides detailed information to consider as businesses are pushed to make swift decisions that impact not only business operations, but also the privacy and security of employees' personal information.

#### **Accepting COVID-19 Financial Relief & Union Organizing**

An [article](#) from James P. Verdi details how businesses that seek financial assistance under the Coronavirus Aid, Relief, and Economic Security (CARES) Act will be subject to several unique restrictions that could dramatically affect a company's future.

## **Paid Leave Rules**

The Department of Labor (DOL) [issued a temporary rule](#) to implement the paid sick leave under FFCRA. The FFCRA is, of course, the new federal law that requires employers with less than 500 employees to provide paid sick leave and, in some instances, paid family leave to employees who cannot work due to Covid-19 reasons. The regulations are available [here](#). The DOL then released new regulations ([29 CFR Part 826](#)), attempting to clarify certain provisions in the Families First Coronavirus Response Act (FFCRA). Under the Emergency Paid Sick Leave Act provision of the FFCRA, certain public employers and private employers with fewer than 500 employees must provide up to eighty (80) hours of emergency paid sick leave (a prorated amount for part-time employees) (EPSL) if the employee is unable to work or telework because of one of these six qualifying reasons:

- The employee is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;
- The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
- The employee is experiencing symptoms of COVID-19 and seeking medical diagnosis from a health care provider;
- The employee is caring for an individual who is subject to a quarantine or isolation order or has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
- The employee is caring for his or her son or daughter whose school or place of care has been closed for a period of time, whether by order of a State or local official or authority or at the decision of the individual school or place of care, or the childcare provider of such son or daughter is unavailable, for reasons related to COVID-19; or
- The employee has a substantially similar condition as specified by the Secretary of Health and Human Services, in consultation with the Secretary of the Treasury and the Secretary of Labor.

## **CONNECTING EKA CLIENTS & RESOURCES**

In these unprecedented times, many public agencies are facing tremendous pressure as citizen demand for information and requests for benefits and services rapidly increase. If you need help, we can connect you to the proven providers of best-practice solutions that can scale quickly to meet citizen/public service requirements. This includes:

- Customer service agents in a distributed, low-risk, work at home model, to take calls and email from citizens and provide authorized information, triage requirements for required actions, and otherwise support access to agency services.
- Using that same distributed network concept to proactively reach out to designated citizens to either inform, or gather needed information.
- Digital and AI-enabled tools, such as chatbots, to mobilize agency web sites and portals for quick response and decrease the workload on human contact centers.

If you are interested in this offer, please reach out to Marcus Allen at [Marcus@ekapr.com](mailto:Marcus@ekapr.com), who will initiate the request with our client.

## ARTICLES OF INTEREST

### **LA County PR**

FOX 11 has obtained contracts showing that Los Angeles County has hired two public relations firms to craft and guide the county's coronavirus messaging. To read view the story, click [here](#).

### **Zoom Inspections**

The Modesto Bee has a story about [California senior-home inspectors now using Zoom, Skype to limit coronavirus exposure](#). According to the story, California senior-care inspectors have begun using Zoom, Skype and FaceTime to make sure managers at thousands of assisted living homes are properly following rules to prevent the spread of coronavirus. Click [here](#) to read the entire story.

### **Lyft Drivers as Employees**

A story by Alaina Lancaster says that a federal Judge is reluctant to designate Lyft Drivers as employees amid the COVID-19 Pandemic. Click [here](#) to read the entire story.

### **LAX passenger traffic down 90%**

The coronavirus outbreak has brought business at the nation's second-busiest airport to a near halt. Passenger traffic through LAX on March 31 was down 90% from the same day last year, an official told board members of the Los Angeles World Airport - the governing body of LAX - during a video conference meeting Thursday. That's a drop from 104,433 passengers in 2019, to a mere 7,966 passengers on Tuesday. To read the entire story, click [here](#).