

COVID-19 Update From EKA – August 5, 2020

Stay At Home Order Day 139

Today is day 139 of the [statewide "Stay-at-Home" Order](#). 147 days ago, the World Health Organization declared COVID-19 a Pandemic. Safer at Home orders have been in place in Los Angeles since March 19.

Previous EKA COVID-19 updates

Our previous COVID-19 updates can be found [here](#). Feel free to share our updates with friends and colleagues. We hope you find the information in the EKA updates and the questions they raise to be informative. If you have any COVID-19 government or communications questions, please reach out to any member of the EKA team. If you have a specific COVID-19 question, click [here](#) and we will attempt to answer it in our update

LOS ANGELES COUNTY

COVID-19 Violations through Public Health Commissions

The Board of Supervisors approved a motion to enforce the monitoring of compliance with County health orders by encouraging workers to directly report health code violations through employee "public health councils." Supervisors Sheila Kuehl and Mark Ridley-Thomas co-authored the motion, which could have a significant impact by placing employees, rather than public health inspectors, at the front lines of enforcing public health orders. The Board noted that workplace transmission has been a significant factor contributing to the spread of COVID-19 in communities across the Los Angeles region and that the risk of infection has increased as businesses have reopened. The Board specifically called out the food sector, noting high infection rates at meat packing plants and grocery stores. At the same time, the Department of Public Health does not have the workforce capacity to ensure universal compliance. Therefore, the Board sought to create a streamlined process for workers to report workplace violations of Health Officer Orders. This process would involve public health councils comprised of employees at their worksites that would be empowered to directly report violations of the County's detailed [COVID-19 reopening protocols](#), such as the installation of plexiglass shields, workplace cleanings, enforcing physical distancing, and providing employees with facial coverings. Public health councils could be created by employees or unions. Employees choosing to join these public health councils would be legally protected from retaliation by employers for reporting violations. These employee groups would expand the Department of Public Health's monitoring capabilities by providing information about public health violations in each workplace. Additionally, the Board proposed certifying third party worker and community-based organizations to serve as the intermediaries between the public health councils and the Department of Public Health. The Board ordered the Department of Public Health to consult with unions, business representatives, and workers' advocates, and report on the feasibility and budget implications of creating public health councils. The Board has emphasized in recent meetings that the Department of Public Health officers are overwhelmed and unable to inspect all operating businesses during the COVID-19 pandemic. If this program goes forward as

expected, employers should be prepared for the formation of public health councils within their workplace. Employers should also take this opportunity to make sure that they comply with applicable state and local orders.

Some Churches Flouting Health Rules With Indoor Services

Los Angeles County's health officer said investigators are looking into reports of area religious institutions continuing to hold indoor services despite coronavirus restrictions barring such gatherings. The County said that violation notices will be issued to offenders.

Enhanced COVID-19 Safety Measures at Courthouses

The Board of Supervisors voted to impose stronger health and safety measures in county courthouses, where public defenders have objected to what they contend are unsafe conditions. Supervisors Mark Ridley-Thomas and Sheila Kuehl proposed that the County's chief executive officer collaborate with the Public Defender's Office, Sheriff Alex Villanueva and other county agencies, including health departments, to develop recommendations on a pre-screening process for entering courthouses -- including temperature checks and exposure questions -- along with other safety measures. The motion also suggested hourly patrols to ensure compliance with masking and social distancing protocols and public health inspections of lockup spaces in all of the County's courthouses. Recommendations -- which are set to be brought before the Board in two weeks -- are also being sought on the feasibility of rapid testing for jail inmates, testing of jurors and expanding video conferencing technology to allow jail inmates access to attorneys, the courts and clinicians.

LOS ANGELES

Pay COVID-Positive Residents To Self-Quarantine

The Los Angeles City Council is considering plans to pay residents who test positive for COVID-19 to stay home. A motion introduced by Councilmember David Ryu would establish a \$25 million "wage replacement program" for any Los Angeles resident -- regardless of income, immigration status, or criminal record. To be eligible, individuals would have to agree to self-isolate and provide public health information to Los Angeles County contact tracers, Ryu said. The councilman's proposal cited data showing communities of color, low-income communities and immigrants are more likely to become infected with COVID-19 and suffer from a higher mortality rate. Similarly, Council President Nury Martinez introduced a motion asking for a report on a plan to provide up to \$50 million in direct paycheck assistance to help low-income families with rent, food and other expenses. Martinez says the "Right to Recover" motion aims to emulate a program that assists working-poor Latinos in San Francisco's Mission District to pay them to stay home when they get infected with COVID-19. Martinez's motion recommends tapping the Federal CARES Act funding L.A. received to provide up to \$50 million for her proposal.

Job Losses

Controller Ron Galperin today released an updated "COVID-19 Job Losses in L.A." map that shows Los Angeles regained about 50,000 jobs in June, but the city is still down about 201,000

jobs since the coronavirus pandemic began. Galperin said the city lost nearly 268,000 jobs in March and April, regained 16,000 jobs in May and continued to rebound in June as the economy reopened, based on the state's most recent employment numbers. All industries, except education services, regained some of those jobs in June, and all Los Angeles neighborhoods have lost jobs since February with an average decline of 13% in each. The accommodation/food service sectors regained 21,100 jobs or 21% in June, but with the reversion to state restrictions on bars and indoor dining in July, recent gains in those sectors could diminish, according to Galperin. Retail trade regained 7,900 jobs or 6% but is still down 17,400 jobs amid the pandemic. Arts/entertainment/recreation sectors regained 5,700 jobs or 24% but are still down 13,600 jobs during the pandemic. Click [here](#) to view the job losses map

VENTURA COUNTY

Ventura County Opens More COVID-19 Testing Centers

Health officials said that farmworkers in Ventura County will now be able to get tested for COVID-19 for free and without having to make an appointment. Since many of them live together in small rooms where social distancing is sometimes not possible, officials say it is of the utmost importance for them to be able to get tested and have their results quickly. Even amid the threat of COVID-19, these farmworkers put in 8-hour days in the hot sun as essential workers. The county health department also said that an even larger testing center will open on August 10 at the county fairgrounds and that for now, there is no shortage of space in intensive care rooms at eight area hospitals.

SACRAMENTO

School Reopening

The Governor has allowed local health officers the discretion to grant waivers to school districts and private schools that would permit schools to reopen for in-classroom instruction for students in grades T.K. through grade 6. Superintendents must submit school district waiver requests to reopen for approval by the local health officer. The decision to grant a waiver will be based on ensuring that schools are able to open in full adherence with the L.A. County school reopening protocols, along with reviewing epidemiological data for each school district. The process requires consultation with the California Department of Public Health prior to accepting or rejecting waiver applications. The application process will be available online and is planned to be launched by the end of the week.

California Will Now Collect LGBTQ Coronavirus Data

California will now collect sexual orientation and gender identity data when tracking new coronavirus cases. This move makes California the first state to track how the virus spreads in the LGBTQ community, which advocates say has been devastated by COVID-19. Gov. Newsom called today's announcement a move in the right direction. Senator Scott Wiener (D-San Francisco) worked with LGBTQ+ civil rights organization Equality California to advocate for the

collection of this data and introduced Senate Bill 932 in May to require it. The bill passed the Senate on June 25 and is set to be heard in the Assembly Committee on Health in August.

REOPENING/CLOSING

Injury and Illness Prevention Plan In California During The COVID-19

Cal/OSHA is now scrutinizing employers' adherence to state guidance regarding worker protections during the COVID-19 health crisis. The administration is urging all employers in California to carefully review and follow the state's guidance on workplace safety and health and to understand their obligations regarding protecting their employees from the virus. One of the primary obligations that employers have in this area is the implementation and regular maintenance of an Injury and Illness Prevention Plan or "IIPP." Failure to implement and maintain a compliant IIPP could subject your business to penalties and jeopardize the health of your employees.

What Is An IIPP?

It is a common misconception that only high-risk industries require IIPPs. In California, all employers – regardless of size – must maintain some form of an IIPP. Title 8 of the California Code of Regulations, section 3203, requires every employer to develop and implement an effective IIPP. Each IIPP must address eight elements related to employee safety including (1) Responsibility, (2) Compliance, (3) Communication, (4) Hazard Assessment, (5) Accident/Exposure Investigation, (6) Hazard Correction, (7) Training and Instruction, and (8) Recordkeeping. It is important to note that even if you maintain general employee health documents if they do not include the eight elements above, you may still be subject to a Cal/OSHA citation. In addition, the IIPP must be geared toward industry and workplace specific threats unique to each workplace.

The Importance Of Training

Implementing an IIPP alone is insufficient to meet Cal-OSHA's expectations of employers. Once in place, employers are obligated to train their employees regarding the safe work practices reflected therein and educate managers on their obligations under the IIPP. Generally, all trainings should include detailed instructions on what is included in the plan, measures for reporting any unsafe conditions or work practices, and provisions for medical services and first aid. In light of COVID-19, industry experts are recommending that all IIPP's be expanded to include topics such as maintaining a sanitized workspace, using personal protective equipment, and following social distancing protocols. Experts also recommend that businesses train employees on COVID-19 symptoms, transmission, and appropriate measures to mitigate spread. According to the experts, these policies and trainings should be regularly updated based on evolving health and industry guidance from state and local authorities. To view the Cal/OSHA injury and illness prevention program, click [here](#). Again, EKA recommends that you consult your human resources and legal counsel for additional information.

LEGAL DEVELOPMENTS

Orange County Board Of Education To Sue Newsom, California Over School Closures

According to an [Orange County Register story](#), the Orange County Board of Education says it will sue the Governor and California's public health officer over state orders preventing public schools from holding in-person classes. The 4-0 vote came during a closed session of the Board's special meeting over Zoom. The lawsuit is being filed by Tyler & Bursch, LLP, of Murrieta in Riverside County, with support from the nonprofit legal organization, Advocates for Faith & Freedom. "California children have a constitutional right to both an education and equal protection under the law. The Governor denied them these rights and did so\ without adequately considering the disparate impact these restrictions would have on the disadvantaged," said attorney Jennifer Bursch of Tyler & Bursch, LLP. "We brought this lawsuit to protect the single mom and her children, children whose parents do not read or write English, and children with special needs."

Landlords Sue San Francisco

A coalition of landlords and realtors is fighting to overturn a San Francisco law that permanently bans the eviction of tenants who cannot pay rent due to COVID-19-related financial struggles. The San Francisco Apartment Association, San Francisco Association of Realtors and two other groups sued the city on Monday. The 11-page [lawsuit](#) filed in San Francisco County Superior Court claims the city lacks authority to permanently ban evictions, late fees and penalties for tenants experiencing a financial hardship during the pandemic. The San Francisco Board of Supervisors approved the ordinance on June 9 in a 10–1 vote, later affirming its decision in a second vote on June 15. Supervisor Catherine Stefani, who represents the city's affluent Marina and Pacific Heights neighborhoods, voted against it. The ordinance states that evictions will be barred under San Francisco's "regular authority" and consistent with the Governor's executive order. The landlord and realtor groups say the Governor's executive order in no way permits the city to permanently ban evictions.

Vote Planned To End California's Eviction Ban

A statewide moratorium on evicting tenants during the coronavirus pandemic could end in the next 2 ½ weeks, triggering what some fear could be "a wave of evictions" unless lawmakers reinstate the ban. California Chief Justice Tani Cantil-Sakauye, who chairs the state Judicial Council, announced Friday, July 24, that she plans to hold a vote "very soon," with the ban expected to end on August 14. She said it's up to the governor and state lawmakers to fashion future tenant protections during the pandemic. The Judicial Council, which oversees the state's court system, imposed the eviction ban on April 6, effectively freezing court action on all eviction cases, except to protect public health and safety. The emergency order was set to expire 90 days following the end of the coronavirus state of emergency, which still is in effect. In her statement, Cantil-Sakauye explained the court system acted to keep people in their homes during the shelter-in-place orders because the legislature was shut down. But lawmakers resumed meeting this week. "The remedies ... are best left to the legislative and executive branches of government," Cantil-Sakauye said. "I want to give the two branches enough notice that the council will very soon resume voting to terminate these temporary orders." However, it's unlikely the legislature can enact legislation by August 14, possibly

putting many tenants at risk of losing their homes, tenants advocates said. Landlord groups, on the other hand, are eager to see the statewide ban lifted, saying the pandemic is taking a toll on many small operators struggling to pay their mortgage and expenses.

NATIONAL

Paycheck Protection Program Loan Deadline

The deadline to apply for a Paycheck Protection Program loan is August 8, 2020. As a reminder, the SBA will forgive PPP loans if all employee retention criteria are met, and the funds are used for eligible expenses. To learn more, click [here](#).

COVID-19 Payroll Tax Credits Addressed in New Regs

The IRS published Information Release [2020-169](#) announcing the issuance of new [temporary](#) and [proposed](#) regulations to implement procedures to assess, reconcile, and recapture any portion of the credits under the Families First Coronavirus Response Act ("FFCRA") and the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") erroneously credited, paid, or refunded more than the actual amount allowed. The FFCRA requires employers of fewer than 500 employees to provide two types of paid leave and includes two employer social security tax credits equal to the amount of paid leave that the employer is required to provide to employees related to the COVID-19 pandemic. Eligible employers are entitled to fully refundable tax credits for the cost of the leave the employer is required to pay. To facilitate the administration of these refundable credits, the IRS developed [Form 7200](#) (Advance Payment of Employer Credits Due to COVID-19) and has revised [Form 941](#) (Employer's Quarterly Federal Tax Return). Again, EKA suggests that you consult your tax professional for additional information.

COVID-19 National Public Health Emergency Declaration

HHS Secretary Alex Azar signed a renewal of the COVID-19 national public health emergency declaration, extending it for another 90 days through October 23. This is the second extension on the public health emergency initially declared on January 31, 2020. The 1135 waivers and other policy flexibilities will also be extended for the duration of the COVID-19 public health emergency. To read the order, click [here](#).

Administration's Focus On School Re-Opening

The CDC unveiled updated guidance for school administrators and parents. The information included guidance for reopening schools and a resource website. To view the guidance, click [here](#).

Pension Benefit Guaranty Corporation

With the background of the COVID-19 pandemic, the PBGC published unofficial guidance for plan sponsors of single-employer plans on certain reportable events, PBGC premium payments and plan termination issues. The Q&As (found [here](#)) provide detail on when and how to report a failure to make required minimum contributions in light of the new CARES Act deadline. The PBGC also states that it will process distress termination applications during this time and that

PBGC-initiated terminations of single-employer pension plans will continue to occur. Under the CARES Act, a company that sponsors a tax-qualified defined benefit pension plan can delay until January 1, 2021, any required contributions to the plan otherwise due in 2020. The PBGC clarifies that because the due date was extended, companies will not need to report a failure to make a minimum required contribution to the PBGC if the contribution is made by January 1, 2021. Should a contribution not be made by January 1, 2021, and the accumulated amount of missed contributions is over \$1M, the Form 200 reporting the missed contributions is due on January 11, 2021. If the amount not contributed by January 1, 2021, is \$1M or less, the Form 10 is due on February 1, 2021, unless a waiver applies.

Visiting Parks and Recreational Facilities

The CDC says that staying physically active is one of the best ways to keep your mind and body healthy. You can visit parks, trails, campgrounds, and open spaces as a way to relieve stress, get some fresh air, and stay active. Learn the steps to follow to protect yourself and others from COVID-19. To view the CDC document, click [here](#).

QUESTIONS EKA HAS RECEIVED

We Heard That The IRS Is Allowing Penalty-Free Withdrawals From IRA's, 401(K)S. Is This True? Can our employees get money from their retirement accounts now?

Under the CARES Act, individuals eligible for coronavirus-related relief may be able to withdraw up to \$100,000 from [IRAs](#) or workplace [retirement plans](#) before December 31, 2020, if their plans allow. In addition to IRAs, this relief applies to 401(k) plans, 403(b) plans, profit-sharing plans and others. These coronavirus-related withdrawals:

- May be included in taxable income either over a three-year period (one-third each year) or in the year taken, at the individual's option.
- Are not subject to the 10% additional tax on early distributions that would otherwise apply to most withdrawals before age 59½,
- Are not subject to mandatory tax withholding, and
- May be repaid to an IRA or workplace retirement plan within three years.

Can I take out a loan?

Individuals eligible to take coronavirus-related withdrawals may also, until September 22, 2020, be able to borrow as much as \$100,000 (up from \$50,000) from a workplace retirement plan, if their plan allows. Loans are not available from an IRA. For eligible individuals, plan administrators can suspend, for up to one year, plan loan repayments due on or after March 27, 2020, and before January 1, 2021. A suspended loan is subject to interest during the suspension period, and the term of the loan may be extended to account for the suspension period. Taxpayers should check with their plan administrator to see if their plan offers these expanded loan options and for more details about these options.

Who is eligible?

To be eligible for COVID-19 relief, coronavirus-related withdrawals or loans can only be made to an individual if:

- The individual is diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (collectively, COVID-19) by a test approved by the Centers for Disease Control and Prevention (including a test authorized under the Federal Food, Drug, and Cosmetics Act);
- The individual's spouse or dependent is diagnosed with COVID-19 by such a test; or
- The individual experiences adverse financial consequences as a result of:
 - The individual being quarantined, being furloughed or laid off, having work hours reduced, being unable to work due to lack of childcare, having a reduction in pay (or self-employment income), or having a job offer rescinded or start date for a job delayed, due to COVID-19;
 - The individual's spouse or a member of the individual's household (that is, someone who shares the individual's principal residence) being quarantined, being furloughed or laid off, having work hours reduced, being unable to work due to lack of childcare, having a reduction in pay (or self-employment income), or having a job offer rescinded or start date for a job delayed, due to COVID-19; or
 - Closing or reducing hours of a business owned or operated by the individual, the individual's spouse, or a member of the individual's household, due to COVID-19.

Retirement plan recipients can learn more about these provisions in IRS [Notice 2020-50](#). The IRS has also posted [FAQs](#) that provide additional information regarding this relief. Additional information on the CARES Act and retirement plans, as well as updates, other FAQs, and other information can be found at [IRS.gov/coronavirus](https://www.irs.gov/coronavirus).

We Understand That The Governor's Office Released A Lengthy COVID-19 Employer Playbook Which Provides Additional Guidance For California Employers Related To COVID-19 And Safe Reopening. Can You Tell Us The Playbook Highlights?

One clear message from the Playbook is that all employers must create and implement a tailored COVID-19 prevention plan. Each plan must:

- Be workplace-specific;
- Identify work areas and job tasks with potential COVID-19 exposures;
- Include control measures to eliminate or reduce such exposures, such as symptom screening protocol;
- Maintain healthy business operations, including providing clear direction on, among other things, how to report and communicate with managers, workers, and local health officials when there is a COVID-19 case or outbreak;
- Maintain a healthy work environment, including cleaning and disinfecting, social distancing protocols, and universal face-covering requirements; specifically, directing

employers to look to the CDPH's [face-covering guidance](#) and [industry-specific guidance and checklists](#);

- Provide effective training for workers, including an outline of policies and procedures for employees and customers to follow; and
- Encourage worker input and dialogue on creating a safe workplace for everyone.

It is critical to look at federal, state, and local guidance when creating a worksite-specific plan, as many local jurisdictions (e.g., cities and counties) have additional industry-specific guidance and requirements. It is also important to stay up to date as information continues to develop and change. Another focused point of the Playbook is what employers should do when there is a COVID-19 case in the workplace or an outbreak. The main points covered are as follows:

- Steps employers must take to prepare for COVID-19 outbreaks;
- Communicating identified cases of COVID-19 to the Local Health Department;
- Communicating identified cases of COVID-19 to "close contacts" (sample language to employees is provided);
- Recommendations on preventing the further spread of COVID-19 in the workplace;
- Criteria for returning to work after isolation; and
- Cleaning and disinfecting measures after a confirmed case in the workplace.

The Playbook provides checklists under each topic above. However, what is required of employers versus what is recommended is less clear. As an example, the "Outbreak Identification Preparedness" section states actions employers must take to prepare for identification of COVID-19 outbreaks in the workplace. However, the same section then states employers should ensure that sick leave policies are sufficiently generous and flexible to enable workers who are sick to stay home without penalty. Though there is reference to certain paid sick leave laws, it is unclear what "sufficiently generous" or "flexible" means in this context and if existing paid sick leave laws fulfill this obligation. Further, the section on "Communication of Identified Cases of COVID-19" includes considerations for employers, but notes reporting requirements may vary based on workplace location. Similarly, employers are instructed to communicate identified cases of COVID-19 to the applicable Local Health Department but does not indicate whether this is required for all confirmed cases in the workplace or just when there is an "outbreak." Another example lies within the return-to-work criteria for employees with a confirmed case or who were exposed. Again, it is unclear if this guidance is for a single case or only an outbreak. Though some criteria has been updated with the [CDC's recent guidance](#), it is unclear how the CDC's guidance for [Critical Infrastructure Workers](#) who may have been exposed incorporates into this analysis. The Playbook includes a section reminding employers that a work-related COVID-19 fatality or illness must be recorded like any other recordable occupational fatality, injury, or illness (specifically, if it is work-related and meets the following criteria outlined [here](#)). There is also guidance on when an employer must report a COVID-19 case to Cal/OSHA (i.e., any serious illness, injury or death of a worker that occurred at work or in connection with work within eight hours of when the employer knew or should have known of the illness). However, what is not covered in the Playbook is how employers determine if the COVID-19 case was work-related. The Playbook does provide a link to [Cal/OSHA's FAQ's](#) on the

Reporting and Recording Requirements for COVID-19 cases. It is important to note that, earlier this year, OSHA also issued guidance on enforcing its [COVID-19 recordkeeping requirements](#).

Paid Sick Leave And Other Benefits Available To Employees

When an employee needs time off for a COVID-19-related reason, there are various potential benefits and protections employers should keep in mind. Below is the list of leave, paid sick leave and other benefits covered in the Playbook:

- California Family Rights Act (and whether COVID-19 qualifies as a serious health condition);
- Paid Sick Leave (federal, state and local paid sick leave entitlements);
- State Disability Insurance and Paid Family Leave;
- Regular and Pandemic Unemployment Benefits; and
- Workers' Compensation

Employers should also keep in mind how many of these entitlements and protections intersect and additional obligations employers have under California's Fair Employment and Housing Act (FEHA).

California's Enforcement And Compliance Efforts

The Playbook provides helpful insight into the composition of California's COVID-19 Task Force, which has been created to monitor and enforce violation of California's statutes and orders. There is a list of state agencies included in the task force, such as the Alcoholic Beverage Control Department (ABC), Department of Consumer Affairs (DCA), Department of Industrial Relations (DIR), and others. Employers are encouraged to reach out to the offices listed in Appendix B of the Playbook to seek assistance or answers to questions pertaining to the COVID-19 statutes and orders. Employers are also encouraged to email essentialservicesinquiries@cdph.ca.gov if they have questions about whether a specific workplace activity is allowed.

Training And Educating Employees To Prevent The Spread Of COVID-19

The Playbook emphasizes the importance of training and educating employees on COVID-19 and the steps they can take to protect themselves and others both at work and outside of work.

Guidance For Enforcing Face Mask Requirements

The Playbook provides the following tips when dealing with individuals who are not wearing face coverings:

- Employees should avoid confronting other workers or members of the public not wearing a face covering, maintain at least a six-foot distance from the individual, and report such incidences to a supervisor;
- Supervisors should consult human resources for guidance in dealing with these situations;

- Employers should train employees on how to handle situations when someone is not wearing a face covering, keeping in mind that an interactive dialogue may be required to assess if there are accommodations that can be made while maintaining a safe environment; and
- Use de-escalation efforts to enforce the face mask requirements.

The Playbook offers some sample language to consider using in dealing with these situations. You can also check out our [5-Step Action Plan](#) for employers dealing with anti-mask guests.

Key Takeaways For Employers

- Continue to stay up to date on evolving federal, state, and local guidance;
- Create and implement a written workplace-specific plan, incorporating applicable federal, state, and local guidance in creating the plan;
- Train all employees on new policies and procedures, including how to report possible exposure, COVID-19 symptoms, a confirmed COVID-19 case, non-compliance with protocols, etc.;
- Have a clear plan of action for addressing a confirmed COVID-19 case in the workplace;
- Be aware of and comply with recording and reporting obligations; and
- Provide appropriate notice to employees of available benefits and leave entitlement and remain conscious of the various laws, regulations, and requirements impacting COVID-19-related issues in the workplace.

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

WHAT WE'RE READING

California Democrats Eye Millionaire Tax Hike To Solve Budget Woes

Scheming a cure for a coronavirus-induced recession, California lawmakers are turning to the state's cache of millionaires and billionaires for budget relief. Back from an extended summer recess, a group of influential Democratic lawmakers are rushing to raise taxes on California's wealthiest earners before an August 31 deadline. They claim hiking what is already the nation's highest state tax rate for millionaires will immediately line the state's depleted coffers with a multibillion-dollar boost. To read the full story, click [here](#).

Too Many Bills, Too Little Time: Why COVID-19 Has California Democrats Feuding

A common maxim in the California Legislature holds that lawmakers shouldn't fall in love with their bills. This year, there are a lot of broken hearts in the Capitol. Hundreds of bills meant to alleviate the homeless crisis, decrease medical bills and bolster labor laws ran into the buzz saw of a legislative year twice abbreviated by the coronavirus outbreak. Now, with just three weeks to go on the legislative calendar, Democrats in each house are showing hard feelings over which remaining proposals deserve a vote and which will have to wait until next year. To read the full story, click [here](#).

Progress Slow As Urgency Grows On Virus Relief Legislation

Frustrated Senate Republicans re-upped their complaints that Democratic negotiators are taking too hard a line in talks on a sweeping coronavirus relief bill, but an afternoon negotiating session brought at least modest concessions from both sides, even as an agreement appears far off. Top Democrats emerged from a 90-minute meeting Tuesday with Trump administration officials to declare more progress. The Trump team agreed with that assessment and highlighted its offer to extend a moratorium on evictions from federally subsidized housing through the end of the year. To read the full story, click [here](#).

Coronavirus Surge Slowing In California, But Don't Expect A Repeat Of Reopening Fever

There are growing glimmers of hope that California's surge in coronavirus cases could be peaking — but don't expect the pandemic-shattered economy to share much of this progress in the short term. A Los Angeles Times analysis found that California has now experienced its first weekly reduction in new confirmed coronavirus cases for the first time in 12 weeks. For the seven-day period that ended Sunday, California reported 59,697 new coronavirus cases, a drop of 9% from the previous week of 65,634 cases, which was a pandemic record. If the trends continue, it would mark a turning point after weeks of record hospitalizations that began in mid-June, the result of California starting to rapidly reopen the economy in May. To read the full story, click [here](#).

Trump Defends Disproved COVID-19 Treatment

President Donald Trump issued a stout defense Tuesday of a disproved use of a malaria drug as a treatment for the coronavirus, hours after social media companies moved to take down videos promoting its use as potentially harmful misinformation. The president, in a marked shift from the more measured approach he's taken toward the virus in recent days, took to Twitter to promote hydroxychloroquine as a treatment for COVID-19, the disease caused by the virus, and to amplify criticism of Dr. Anthony Fauci, the nation's top infectious disease expert. In a White House briefing, Trump defended his decision to promote a viral video of a group of doctors promoting the use of the drug Monday, even though his own administration withdrew emergency authorization for its use against the coronavirus. To read the full story, click [here](#).

U.S. Officials: Russia Behind Spread Of Virus Disinformation

Russian intelligence services are using a trio of English-language websites to spread disinformation about the coronavirus pandemic, seeking to exploit a crisis that America is struggling to contain ahead of the presidential election in November, U.S. officials said Tuesday. Two Russians who have held senior roles in Moscow's military intelligence service known as the GRU have been identified as responsible for a disinformation effort meant to reach American and Western audiences, U.S. government officials said. They spoke to The Associated Press on condition of anonymity because they were not authorized to speak publicly. To read the full story, click [here](#).

GOP's Jobless Benefit Plan Could Mean Delays, States Warn

A Republican proposal to slash the \$600 weekly benefit boost for those left jobless because of the coronavirus shutdown could result in weeks or even months of delayed payments in some states. Older computer systems that took weeks to set up for the initial federal unemployment enhancement would need to be reprogrammed again twice under the GOP plan. In Florida, state Rep. Anna Eskamani, a Democrat from Orlando, said the state has not even gotten the original supplemental benefit to everyone entitled to it. To read the full story, click [here](#).

Fed Wrestles With Its Next Moves As Virus Stalls US Economy

Federal Reserve officials are grappling this week with the timing and scope of their next policy moves at a time when the raging viral pandemic has weakened the U.S. economy. No major changes are likely when the Fed releases a statement Wednesday after its two-day policy meeting ends and just before Chair Jerome Powell holds a news conference. But the central bank is working toward providing more specific guidance on the conditions it would need to see before considering raising its benchmark short-term interest rate, which is now pegged near zero. To read the full story, click [here](#).

If Feds Let Jobless Benefits Drop, California Dems May "Backdoor Borrow" To Extend Them

The plan was the product of the Democratic Legislative Working Group on Economic Recovery, led also by Sen. Bob Hertzberg from the San Fernando Valley, who is the state Senate's majority leader. The California Constitution permits state borrowing without voter approval in only a handful of circumstances, said UC Davis law professor Darian Shanske. Those include when the debt is due to be paid from a specially designated funding source or when the spending is mandated by federal law. Borrowing to pay unemployment benefits "could arguably be under any number of those exceptions," he told CalMatters earlier this year. "As far as I know there's never been a case in California litigating this." To read the full story, click [here](#).

California Withholds Virus Money From 2 Defiant Cities

Newsom blocked nearly \$65,000 from Atwater in Merced County and more than \$35,000 from Coalinga in Fresno County, the first installments of \$2.5 billion in federal funds that cities and counties across the state risk losing if they don't toe the line on coronavirus safeguards. The state's Office of Emergency Services sent letters to the cities last week notifying officials that they risked losing more money if they didn't withdraw resolutions defying the state's orders. The city councils in both cities met Monday and stuck with their resolutions. To read the full story, click [here](#).

Palm Springs Orders All Restaurants, Bars To Close Early

The new rule, ordered by the city's director of emergency services on Tuesday, dictates that these establishments must close by [11 p.m.](#) or risk facing fines, orders to shut down or the revocation of licenses, including a facility's business license. Guests arriving before [10 p.m.](#) will be allowed to stay if individual businesses allow it, but no guests will be allowed to be seated after that time, according to the new order. To read the full story, click [here](#).

Imperial County Proceeded With Evictions, Against Court Rules

Imperial County, the rural County in southeastern California beset with overrun hospitals and the highest COVID-19 mortality rate in the state, has allowed landlords to pursue court-ordered evictions during the novel coronavirus pandemic despite state judicial rules barring such proceedings. The Imperial County Superior Court has issued notices of eviction lawsuits to renters and engaged in other eviction proceedings that violate state judicial protocols, according to documents reviewed by CalMatters. The documents were provided by the Imperial County chapter of California Rural Legal Assistance Inc, a statewide legal aid organization. To read the full story, click [here](#).

Top Health Official: More Mask Wearing Could Cut California Coronavirus Spread Up To 60 Percent

The spread of coronavirus across California could be cut at least in half with a modest increase in the number of people wearing masks, one of the state's top public health experts said Tuesday. "If we had 80% compliance with masking, we could reduce transmission somewhere between 50% to 60%, which is tremendous," said Dr. Mark Ghaly, secretary of the California Health and Human Services Agency. "That's exactly what we need to see the case numbers come down." To read the full story, click [here](#).

Amid Pandemic, California Ballot Measures Facing Tough Sell

Qualifying a proposition for the ballot – much less convincing millions of voters to support it – is always a Herculean task. In the best of times, it requires a near limitless supply of money, talent and luck. Nobody right now thinks we are in the best of times. Many months now into the COVID-19 pandemic, a lot of people instead feel trapped inside a George Orwell novel. And with good reason. To read the full story, click [here](#).

Coronavirus Pandemic Sidelines California's Inmate Firefighters

In late June, California Department of Corrections and Rehabilitation officials put 12 prison fire camps on lockdown after they were potentially exposed to the coronavirus through outbreaks within the prison system, sidelining as many as 750 inmate firefighters. A few weeks later, the CDCR extended the quarantine at four of the camps — Dixon's included — after he and other prisoners were potentially exposed to the virus again by a nurse team brought in to administer coronavirus tests. To read the full story, click [here](#).

Coronavirus: These 8 Killers Died On San Quentin's Death Row

Endlessly conflicted over capital punishment, California hasn't executed an inmate in more than 14 years, and although suicide, drug overdoses, inmate murders and old age claim a few of the condemned each year, a new killer has come to Death Row. Since the start of the COVID-19 pandemic early this year, at least eight condemned inmates are believed to have succumbed to the disease that has swept the 168-year-old San Quentin State Prison in Marin County, where Death Row prisoners traditionally are housed. The deaths of two other inmates are under investigation amid what's become one of the worst coronavirus outbreaks in the country. To read the full story, click [here](#).

California County With Highest COVID Death Rate Violated Court Rules For Evictions

Imperial County, the rural County in southeastern California beset with overrun hospitals and the highest COVID-19 mortality rate in the state, has allowed landlords to pursue court-ordered evictions during the novel coronavirus pandemic — despite state judicial rules barring such proceedings. The Imperial County Superior Court has issued notices of eviction lawsuits to renters and engaged in other eviction proceedings that violate state judicial protocols, according to documents reviewed by CalMatters. The documents were provided by the Imperial County chapter of California Rural Legal Assistance Inc, a statewide legal aid organization. To read the full story, click [here](#).

Many EIDL Loans Will Cause Disaster For Unassuming Borrowers

Separate and apart from the Paycheck Protection Program ("PPP") is the Economic Injury Disaster Loan ("EIDL") program. Initially enacted many years ago to provide loans to businesses that have suffered from major storms, droughts, and other federally-declared disasters, the SBA has already advanced over \$150 billion in EIDL money to borrowers who have verified that they have suffered "substantial economic injury" due to the effects of COVID-19. To read the full story, click [here](#).

PPP Borrowers Might Take Biz Deductions Despite IRS Notice

Borrowers with Paycheck Protection Program loans should be aware of an important tax downside. According to [Internal Revenue Service](#) Notice 2020-32, business expenses that would normally be deductible in computing taxable income may not be deductible if the taxpayer uses funds from a forgiven loan to pay such expenses. Some tax preparers may decide to claim the deductions in spite of IRS guidance because, in part, the intent of Congress here is up for debate. To read the full story, click [here](#).

How China Used Censorship To Hide The Coronavirus Truth

For two months, Fang Fang documented life in COVID-19's ground zero. Using Weibo, China's Twitter equivalent, the 64-year-old novelist and poet wrote 60 posts over 60 days about inhabiting Wuhan as it was being quarantined by Chinese authorities. The posts, which ranged from one to several pages in length, went viral in China. The "Fang Fang Diary" topic had over 380 million views on Weibo. Millions in and outside of Wuhan read her daily updates, clinging to them as a comforting routine at a time of disorienting uncertainty. To read the full story, click [here](#).

'The Virus Beat Us': Colleges Are Increasingly Going Online For Fall 2020 Semester As COVID-19 Cases Rise

Call it coronavirus déjà vu. After planning ways to reopen campuses this fall, colleges are increasingly changing their minds, dramatically increasing online offerings or canceling in-person classes outright. This sudden shift will be familiar to students whose spring plans were interrupted by the rapid spread of the coronavirus. Now, COVID-19 cases in much of the country are much higher than in the spring, and rising in many places. To read the full story, click [here](#).

Former GOP Presidential Candidate Herman Cain Dies After Battle With Coronavirus

Herman Cain, a former presidential hopeful who was once considered by President Donald Trump for the Federal Reserve, has died after being hospitalized with the coronavirus. He was 74. Cain's death was announced Thursday on his website by Dan Calabrese, who edits the site and had previously written about his colleague's diagnosis. To read the full story, click [here](#).

3 Months Of Hell: U.S. Economy Drops 32.9%, In Worst GDP Report Ever

The coronavirus pandemic triggered the sharpest economic contraction in modern American history, the Commerce Department reported Thursday. Gross domestic product — the broadest measure of economic activity — shrank at an annual rate of 32.9% in the second quarter as restaurants and retailers closed their doors in a desperate effort to slow the spread of the virus, which has killed more than 150,000 people in the U.S. The economic shock in April, May and June was more than three times as sharp as the previous record — 10% in 1958 — and nearly four times the worst quarter during the Great Recession. To read the full story, click [here](#).

California Minimum-Wage Jump To Hit Virus-Battered Companies

Gov. Gavin Newsom announced Wednesday the state would keep in place a planned jump in the state's minimum wage to \$14 an hour next year for larger businesses, saying it would help hard hit lower-income workers even as many companies struggle to survive amid the coronavirus crisis. The Democratic Governor had the authority to suspend the scheduled increase given the state's troubled economy. Since mid-March, California has processed nearly 6.8 million claims for unemployment as many businesses, especially restaurants and retailers, have been idled or forced to cut back operations while contending with government rules intended to limit the spread of the virus. To read the full story, click [here](#).

California Withholds Virus Money From 2 Defiant Cities

Gov. Gavin Newsom is using new powers to withhold money from two cities in California's Central Valley that are defying his health orders by allowing all businesses to open during the pandemic. Newsom blocked nearly \$65,000 from Atwater in Merced County and more than \$35,000 from Coalinga in Fresno County, the first installments of \$2.5 billion in federal funds that cities and counties across the state risk losing if they don't toe the line on coronavirus safeguards. To read the full story, click [here](#).

So You Think Your California County Is Tracing Contacts Of Sick People? Maybe Not.

Twenty-eight of the 38 California counties with surging cases of COVID-19 report that they are attempting to investigate everyone infected and trace everyone they expose. But at least seven counties aren't, and another one is asking all people with the virus to notify their contacts themselves. A CalMatters analysis of contact tracing in California shows that the scope varies considerably from County to County, from thorough to minimal. Contact tracing is considered an essential tool in reducing the spread of COVID-19 by notifying people who have been exposed. To read the full story, click [here](#).

Can Plaintiffs From Other Countries Hold China Legally Accountable For The Coronavirus Pandemic In Their Respective Courts?

Barely 24 hours after the World Health Organization officially designated COVID-19 as a pandemic on March 11, the international legal blame game began. The first firm to file a lawsuit against the government of China and the Chinese Communist Party was Florida-based Berman Law Group, a Boca Raton firm with a heavy emphasis on mass torts and class actions. Matthew Moore, the firm's litigation attorney, stayed up all night drafting the complaint, which he filed in the Southern District of Florida the day after the declaration by the WHO. The case, a class action suit, was brought on behalf of individuals and small businesses alleging a variety of financial and health damages, on grounds citing China's negligence in failing to contain the virus and in actively concealing the outbreak and its extent from the world. To read the full story, click [here](#).

Fauci Says Wearing Face Shield, Goggles Could Help Protect Against Coronavirus

Dr. Anthony Fauci, one of the nation's top infections-disease experts, said Wednesday that Americans should consider wearing goggles or a face shield to further help protect themselves amid the coronavirus pandemic. "If you have goggles or an eye shield, you should use it," said Fauci, director of the National Institute of Allergy and Infectious Diseases, in an interview on Instagram Live with ABC News. This would be in addition to wearing a face mask, which is recommended by the US Centers for Disease Control and Prevention and mandated by many states across the U.S. for areas where social distancing isn't possible. To read the full story, click [here](#).

California Lawmakers Advance 3 Bills Spurred By Coronavirus

California lawmakers advanced several bills spurred by the coronavirus, including one designed to aid food sector employees and another to stockpile personal protective equipment so the state isn't caught short again. The Assembly Labor and Employment Committee approved the two Senate bills as state lawmakers race toward an August 31 adjournment deadline in a session shortened by the pandemic. To read the full story, click [here](#).

Is your County tracing contacts of people sick with COVID?

Twenty-eight of the 38 California counties with surging cases of COVID-19 report that they are attempting to investigate everyone infected and trace everyone they expose. But at least seven counties aren't, and another one is asking all people with the virus to notify their contacts themselves. A CalMatters analysis of contact tracing in California shows that the scope varies considerably from County to County, from thorough to minimal. Contact tracing is considered an essential tool in reducing the spread of COVID-19 by notifying people who have been exposed. To read the full story, click [here](#).

Some California Schools Want Waivers To Reopen Despite Virus

But nearly two weeks after Newsom's announcement the state hasn't spelled out what districts need to do to apply or qualify. However, the state has said a waiver will need the support of teachers. And so far, teacher unions are resistant to returning to classrooms, citing safety concerns. ... Some private school officials said they might be in a better position to seek waivers. Ron Reynolds, executive director of the California Association of Private School Organizations, said he'd like the state to let secondary schools apply as well, noting many

private high schools are smaller than public elementary schools and could more easily implement physical distancing requirements. To read the full story, click [here](#).

The Disinfomercial: How Larry King Got Duped Into Starring in Chinese Propaganda

Jacobi Niv had paid Larry King a few thousand dollars apiece to narrate half a dozen videos for companies or projects in Israel, where King is still a big name. But what Niv wanted King to tape on March 27, 2019, wasn't the usual infomercial. It was more like a disinfomercial. To read the full story, click [here](#).

California Jobless Claims Drop Sharply, But Total Now Tops 7 Million During Shutdown Period

At least 1.2 million California workers have not been paid, even though their jobless claims have been processed, according to a state Assembly subcommittee hearing on Thursday. A letter from the Employment Development Department director stated that the agency has identified 6 million "unique claimants" and has paid 4.8 million of those — leaving 1.2 million who haven't received checks. About 249,000 California workers filed first-time claims for unemployment benefits last week, down from the 289,600 workers who filed jobless claims during the week that ended on July 18, the U.S. Labor Department reported. The state has an unemployment rate of 14.9 percent. To read the full story, click [here](#).

California And Zuckerberg Lab Team Up To Map Coronavirus Genome, One Of The Largest Efforts To Discover How It Spreads

Health officials and scientists believe genome sequencing of the coronavirus could hold great promise. The technique today helps trace where infections began, and perhaps one day it could help shape the way doctors treat COVID-19 patients. A new initiative between California and the San Francisco research institution funded by Facebook CEO Mark Zuckerberg's philanthropic organization could bring them one step closer. The Chan Zuckerberg Biohub will offer free genome sequencing for lab samples that have tested positive for the coronavirus from all California counties, the institution is slated to announce Thursday. To read the full story, click [here](#).

L.A. County's Tracing Team Repeatedly Failed To Detect Coronavirus Outbreaks At Workplaces

The number of people testing positive who tracers have been able to reach has fallen to 68% in recent weeks, down from 75% earlier in the pandemic, according to officials. And only 40% of those people have been willing to disclose who they may have exposed. ... To compensate for the system's weaknesses, the County now requires employers to report outbreaks when three or more workers test positive. But so far officials have done little to enforce that reporting requirement, and some companies have failed to comply. Last week, officials said they would begin imposing financial penalties on employers not following the county directives — but not until the end of August. To read the full story, click [here](#).

Coronavirus Recession: How Bad It Could Get And What It Means For You

Even with the next stimulus bill and a second stimulus payment on the horizon, bouncing back from the coronavirus recession, deemed the fastest recession in U.S. history, "isn't going to be

quick or easy. The U.S. economy shattered records when it plunged 32.9% in the second quarter, according to data released by the Commerce Department (PDF) this week. To read the full story, click [here](#).

Small Business Administration Watchdog Report Cites 'Serious Concerns' Over 'Widespread' COVID-19 Relief Fraud

A [report](#) from the Office of Inspector General of the U.S. Small Business Administration published on Tuesday details complaints of thousands of instances involving suspected fraud from financial institutions apparently receiving economic assistance from the Coronavirus Preparedness and Response Supplemental Appropriations Act and the Paycheck Protection Program and Health Care Enhancement Act. "Our preliminary review reveals strong indicators of widespread potential fraud in the program," the inspector general wrote in the report. To read the full story, click [here](#).

Lloyd's Insurers Want Covid-19 Coverage Fight Sent To Fla.

A group of Lloyd's underwriters has asked to send two pizza companies' COVID-19 coverage suit to Florida, telling a New York federal court that the companies suing are based in the Sunshine State as are the agents who sold them their commercial property insurance policies. The Lloyd's of London insurers argued Wednesday before the New York court that the Florida-based lead plaintiffs in the proposed class action, Gio Pizzeria & Bar Hospitality LLC of Coral Springs and Gio Pizzeria Boca of Boca Raton, are merely engaging in forum shopping. To read the full story, click [here](#).

Employers Require Coronavirus Liability Waivers As Conflict Mounts Over Workplace Safety

As employers in California and across the country ask employees to return to the workplace, many have considered and some are requiring employees to sign similar waivers, employment lawyers say. And many employees, mostly lower-wage and minority workers in essential jobs, are calling lawyers to complain about the waivers. To read the full story, click [here](#).

Under COVID, Some Landlords Of Limited Means Worse Off Than Their Tenants

As we near the end of the month, millions of Americans face the looming burden of paying rent while also losing \$600 a week in federal unemployment benefits. Those expanded coronavirus relief funds expire on Friday. While tenants struggle, some landlords say they are worse off than their renters. One property owner actually became homeless and another works two jobs to make ends meet. To read the full story, click [here](#).

How a \$175 COVID-19 Test Led to \$2,479 in Charges

A global pandemic ravaging America is no time to forget the first rule of American health care: There is no set price. One out-of-network medical provider in Texas seeks permission from patients to charge fees as high as six-figures to their insurance. To read the full story, click [here](#).

Misinformation On Coronavirus Is Proving Highly Contagious

As the world races to find a vaccine and a treatment for COVID-19, there is seemingly no antidote in sight for the burgeoning outbreak of coronavirus conspiracy theories, hoaxes, anti-

mask myths and sham cures. The phenomenon, unfolding largely on social media, escalated this week when President Donald Trump retweeted a false video about an anti-malaria drug being a cure for the virus and it was revealed that Russian intelligence is spreading disinformation about the crisis through English-language websites. To read the full story, click [here](#).

Inside the White House's attempt to message its way out of the coronavirus crisis

The White House's attempts to message its way out of the coronavirus crisis with a ramped-up public safety campaign this month have run into a pair of internal roadblocks: a lack of dramatic, concrete policy actions to match the communications push and a president who often struggles to follow the same talking-point playbook as his team. To read the full story, click [here](#).

Despite Protective Equipment, Health Care Workers More Likely To Test Positive For Coronavirus

New research released Friday shows that frontline health care workers are three times more likely to test positive for Covid-19 despite the use of personal protective equipment. A [study](#) published in the journal Lancet Public Health showed that even with adequate equipment, health care workers in the U.S. and U.K. had a higher risk of developing Covid-19 symptoms and testing positive for the virus. To read the full story, click [here](#).

The First Wave Of Covid-19 Workplace Lawsuits Is Here

Major employers nationwide are facing a wave of lawsuits filed by workers claiming they contracted the novel coronavirus as a result of their employer's negligence—a trend that's sparking debate over whether Congress should grant businesses liability protections during the epidemic. To read the full story, click [here](#).

Air Travel Picks Up Alongside Strict Mask Enforcement

Air travel is slowly making a comeback as more passengers appear to be gaining confidence with airlines that are imposing strict rules for wearing masks. The uptick in flight activity – 2.3 million passengers this past weekend, up from 1.8 million in late June – comes during the traditional August travel season that is anything but traditional this year. The boost in weekend travel came as the U.S. saw its smallest daily increase in coronavirus cases in nearly four weeks after hitting an all-time high in July. To read the full story, click [here](#).

Note: While EKA monitors governmental announcements, guidelines and recommendations, our updates are prepared for informational purposes and are compiled from publicly available sources. Our updates should not be considered health, medical, legal, or tax advice. Always consult a qualified professional regarding any specific questions you may have. All hyperlinks are live and will bring you to the information mentioned. If you are not interested in receiving future emails from us, then please reply with a "Remove" in the subject line and mention the email addresses to be removed.