

Weekly COVID-19 Update From EKA February 3, 2021

LA County surpasses 16,000 deaths. The number of people testing positive each day on average — roughly 7,000 cases — is now trending far below the 15,000 per day mark of early this month. It will still be months before everyone who wants a coronavirus vaccine will be able to get one. The statewide death toll is over 40,000.

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 EKA team members.

LOS ANGELES COUNTY

Outdoor Dining

After a two-month shutdown, patio dining returned to Los Angeles County last Friday but with a new restriction forcing restaurants to turn off or remove all televisions from customer seating areas -- a clear effort to prevent gatherings of sports fans. The county's revised Health Officer Order also reinstates previous restrictions on outdoor dining, requiring servers to wear masks and face shields, limiting restaurants to 50% of patio capacity, limiting tables to no more than six people and requiring tables to be at least eight feet apart. But the order also states: "Televisions or any other screens that are used to broadcast programming must be removed from the area or turned off. This provision is effective until further notice." The order limits table seating to six people, and "all people seated at a table should be members of the same household." The order encourages, but does not mandate, seating to be done by advance reservation. It urges restaurants to notify customers "to call in advance to confirm outdoor seating/serving capacity, where possible." Restaurants also must collect contact information from customers in case there's a future need to reach out in contact-tracing efforts. The new Health Officer Order also lifts the previous requirement that non-essential retail businesses be closed between 10 p.m. and 5 a.m.

LA County Sues Restaurants For Disregarding Dining Ban

Los Angeles County is suing two restaurants for allegedly ignoring the outdoor dining ban put in place in late November to stop the spread of the coronavirus. The Los Angeles Superior Court lawsuit filed names Cronies Sports Grill on Kanan Road in Agoura Hills and the Tinhorn Flats Saloon & Grill on Magnolia Boulevard in Burbank. The suit

asks for an abatement order directing both restaurants to bring their businesses into compliance with the health orders and to allow inspectors to enter to ensure compliance. The suit also seeks civil penalty assessments against the businesses for each day they allegedly did not abide by the health directives.

Loan Program For County Businesses

The Los Angeles County Development Authority has launched the Small Business Stabilization Loan Program to provide eligible businesses with a competitive interest rate for loans ranging from \$50,000 to \$3 million. Businesses interested in applying for the Program must have been in operation for at least two years and seeking working capital, equipment purchases, real estate acquisition, or refinancing of existing loans at higher interest rates. The Program offers technical assistance from partners who offer complementary online webinars, one-on-one financial consultations, application assistance, and an evaluation of a business' readiness to submit an LACDA loan application. For more information on the requirements to apply for the Small Business Stabilization Loan Program, click [here](#).

PASADENA

Pasadena Will Ban Restaurants From Turning On Tvs During Outdoor Dining

Pasadena is requiring restaurants to keep their televisions off while they're open for outdoor dining. The move will align with Los Angeles County's health order, issued Friday, which instituted a similar ban as officials look toward the Super Bowl game, fearing the crowds and gatherings that may lead to more coronavirus infections.

LONG BEACH

Long Beach became the first city in the State to mandate an extra \$4 per hour in "Hero Pay" for grocery workers. Mayor Robert Garcia signed the ordinance into local law last week. The ordinance **went into effect immediately** and remains in effect for 120 days from enactment unless extended by the city council. To view a copy of the ordinance, [click here](#). This ordinance applies to "grocery stores," which include businesses that devote seventy percent or more of their business to retailing a general range of food products (fresh or packaged). It applies to grocery stores with more than 300 grocery workers nationally and more than 15 employees per grocery store within the City of Long Beach. The ordinance only requires premium pay be provided to those grocery workers who perform work within the City of Long Beach. However, the ordinance excludes managers, supervisors, and confidential employees from the premium pay requirement.

Long Beach was also the first city to be quickly sued by the California Grocers Association. The CGA filed a request for a temporary restraining order, but a judge rejected the order last week. The case is due back in court on February 18 for a hearing on a preliminary injunction, which would stop the law while the case is pending. In its lawsuit, the California Grocers Association has argued that the ordinance is unconstitutional and is preempted by federal labor law that protects collective bargaining agreements. Some grocery store employees are part of unions that negotiate pay structures with the grocery chains. The suit also notes that the ordinance unfairly ignores other essential workers in areas like public safety, transportation and restaurants.

Kroger, the parent company of Ralphs and Food 4 Less, [announced Monday](#) that it would be closing two of its Long Beach stores following the passage of a law that hiked grocery store workers' pay by \$4 per hour. "As a result of the City of Long Beach's decision to pass an ordinance mandating extra pay for grocery workers, we have made the difficult decision to close long-struggling store locations in Long Beach permanently," the company said in a news release. "This misguided action by the Long Beach City Council oversteps the traditional bargaining process and applies to some, but not all, grocery workers in the city."....

CITY OF LOS ANGELES

LA's Financial Problems Likely To Get Worse Before They Get Better

Los Angeles Controller Ron Galperin said that the city's pandemic-related financial problems would likely get worse before they get better. The city's revenues decreased by 4% between July 1, 2019, and June 30 due to the COVID-19 pandemic, while in the previous fiscal year, revenues increased by 13.7%, according to the Fiscal Year 2020 annual financial report. The 2020 loss equates to \$17.5 billion, attributed to the pandemic's impact on trade, tourism and tax revenues, according to Galperin's report. Los Angeles Controller Ron Galperin said Thursday that the city's pandemic-related financial problems will likely get worse before they get better. The city's revenues decreased by 4% between July 1, 2019, and June 30 due to the COVID-19 pandemic, while in the previous fiscal year, revenues increased by 13.7%, according to the Fiscal Year 2020 annual financial report the controller released Thursday. The 2020 loss equates to \$17.5 billion, attributed to the pandemic's impact on trade, tourism and tax revenues, according to Galperin's report. For the first six months of the 2021 fiscal year, however, General Fund revenues were down 10.8% or \$254 million. Los Angeles' expenses rose by about 10% to \$16.5 billion during the 2020 fiscal year, and General Fund expenses rose by 7.3%. To read the entire report, click [here](#).

SACRAMENTO

California Small Business COVID-19 Relief Grant Program

Round 2 of the California Small Business COVID-19 Relief Grant Program opened yesterday and closes on February 8, 2021 at 6 p.m. Selection notifications will take place between February 11-18, 2021. Round 2 is the final application window for the program. The amount of grant funding ranges from \$5,000 to \$25,000. Businesses are eligible based on their annual revenue as documented in their most recent tax return. Apply on the [California Relief Grant website](#).

Governor Newsom Signs Executive Order to Help Bolster State's Vaccination Efforts

To help maximize the number of health care professionals and providers administering vaccines, the order confirms that existing law – which protects certain health care professionals and providers from legal liability when they render services at the request of state or local officials during a state of emergency – protects those health care professionals and providers when they participate in the State's vaccine administration program. The order also makes clear that this protection extends to others – for instance, pharmacy technicians – working under their supervision or instruction, consistent with applicable state directives and guidance. Read the full order [here](#).

California extends eviction moratorium through June

On Friday, January 29, a new law took effect to **extend tenant eviction and homeowner protections through June 30, 2021**. It also created a new program to help tenants and landlords deal with unpaid rental debt. Assemblymember Jim Wood, a Santa Rosa Democrat, said he was concerned that the implementation of [SB 91](#) and [SB 89](#), the two bills passed by both houses, would mirror the inequities of the rollout of federal pandemic-relief CARES Act funding.

- **Eviction Relief**. Tenants cannot be evicted for a COVID-19 related hardship from September 1, 2020 – June 30, 2021, if the tenant returns a declaration of hardship form to their landlord and pays at least 25% of the rent due by **June 30, 2021**.
 - To learn more and download a “Declaration of COVID-19 Related Financial Stress” form, click [here](#).
- **Rental Assistance**. Cities and counties can set up their own rental assistance programs using money from the federal government to provide help. Applications should be available in March, so check with your local city or county. For more information, click [here](#).

- [Property Owner Protections](#). The new law also extends consumer protections for requests of mortgage forbearance for homeowners impacted by COVID-19 until September 1, 2021.

For full details on the tenant, landlord, and homeowner protections, as well as the upcoming rental assistance program, please visit the following websites:

- [Tenant, Landlord, and Homeowner Protections](#):
- [Community Resources](#)
- [California COVID-19 Information App for Tenants & Landlords](#)
- [Rental Assistance Program](#)

NATIONAL

IRS Extends COVID-19 Related Tax Credit For Employers

The Internal Revenue Service urges employers to take advantage of the newly-extended employee retention credit, designed to make it easier for businesses that, despite challenges posed by COVID-19, choose to keep their employees on the payroll. The Taxpayer Certainty and Disaster Tax Relief Act of 2020, enacted December 27, 2020, made a number of changes to the employee retention tax credits previously made available under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), including modifying and extending the Employee Retention Credit (ERC), for six months through June 30, 2021. Several of the changes apply only to 2021, while others apply to both 2020 and 2021.

As a result of the new legislation, eligible employers can now claim a refundable tax credit against the employer share of Social Security tax equal to 70% of the qualified wages they pay to employees after December 31, 2020, through June 30, 2021. Qualified wages are limited to \$10,000 per employee per calendar quarter in 2021. Thus, the maximum ERC amount available is \$7,000 per employee per calendar quarter, for a total of \$14,000 in 2021. Employers can access the ERC for the 1st and 2nd quarters of 2021 prior to filing their employment tax returns by reducing employment tax deposits. Small employers (i.e., employers with an average of 500 or fewer full-time employees in 2019) may request advance payment of the credit (subject to certain limits) on [Form 7200](#), Advance of Employer Credits Due to Covid-19, after reducing deposits. In 2021, advances are not available for employers larger than this. Effective January 1, 2021, employers are eligible if they operate a trade or business during January 1, 2021, through June 30, 2021, and experience either:

1. A full or partial suspension of the operation of their trade or business during this period because of governmental orders limiting commerce, travel or group meetings due to COVID-19, or
2. A decline in gross receipts in a calendar quarter in 2021 where the gross receipts of that calendar quarter are less than 80% of the gross receipts in the same calendar quarter in 2019 (to be eligible based on a decline in gross receipts in 2020 the gross receipts were required to be less than 50%).
3. Employers that did not exist in 2019 can use the corresponding quarter in 2020 to measure the decline in their gross receipts. In addition, for the first and second calendar quarters in 2021, employers may elect in a manner provided in future IRS guidance to measure the decline in their gross receipts using the immediately preceding calendar quarter (i.e., the fourth calendar quarter of 2020 and first calendar quarter of 2021, respectively) compared to the same calendar quarter in 2019. In addition, effective January 1, 2021, the definition of qualified wages was changed to provide:
 - For an employer that averaged more than 500 full-time employees in 2019, qualified wages are generally those wages paid to employees that are not providing services because operations were fully or partially suspended or due to the decline in gross receipts.
 - For an employer that averaged 500 or fewer full-time employees in 2019, qualified wages are generally those wages paid to all employees during a period that operations were fully or partially suspended or during the quarter that the employer had a decline in gross receipts regardless of whether the employees are providing services.
 - Retroactive to the March 27, 2020, enactment of the CARES Act, the law now allows employers who received Paycheck Protection Program (PPP) loans to claim the ERC for qualified wages that are not treated as payroll costs in obtaining forgiveness of the PPP loan.

For more information, click [here](#).

IRS Updates FAQs on Paid Sick Leave Credit and Family Leave Credit

The Internal Revenue Service has posted updated FAQs about recent legislation that extended and amended tax relief to certain small- and mid-sized employers under the Families First Coronavirus Response Act (FFCRA). The FAQs are available at [COVID-19-Related Tax Credits for Required Paid Leave Provided by Small and Midsize Businesses FAQs](#). The updates to the FAQs cover how the COVID-related Tax Relief Act of 2020, enacted December 27, 2020, extends the availability of the tax credits created by the FFCRA to eligible employers for paid sick and family leave provided through March 31, 2021, as well as other amendments to the credits. The paid sick and family leave credits,

which previously were available only until the end of 2020, have been extended for periods of leave taken through March 31, 2021.

VACCINATION

Federal Government To Vaccines To Retail Pharmacies Next Week

The government will begin shipping doses of the Covid-19 vaccine directly to retail pharmacies next week, as the Biden administration continues to expand how and where Americans can get inoculated. The initial shipment of 1 million doses will go to 6,500 stores starting February 11, said Jeffrey Zients, the Biden administration's Covid-19 coordinator. Pharmacies that receive the vaccine directly from the federal government will still need to follow their State's guidelines to determine which populations should receive the injections. Americans should check their local pharmacy website to make an appointment if they fall into one of their State's priority groups, he said.

Blue Shield Of California Tapped To Speed Up State Vaccines

Blue Shield of California will be the outside administrator tasked with ramping up coronavirus vaccinations. Another major health care provider, Kaiser Permanente, will also help in the effort to deliver vaccines speedily and equitably across the State of nearly 40 million residents. The contract with Blue Shield is still being finalized but its task is to "create, contract with and manage a statewide vaccine administration network" and to allocate doses directly to providers, which will include pharmacies, public and private health networks and hospitals, pop-up sites and community health centers with an eye toward equity, according to the statement. Blue Shield has an extensive network of providers, contracting with tens of thousands of physicians and hundreds of hospitals throughout the State. Kaiser has its own health insurance plans as well as medical offices.

Last week, Governor Newsom announced changes to the way the State is administering scarce vaccines, saying it would play a more centralized role in notifying residents, scheduling appointments and determining eligibility. While there's a national vaccine shortage, California also needs to administer more of the doses it does have, said state officials. Currently, the State allocates doses to county public health departments and hospital networks, which have their own appointment systems and eligibility requirements. As a result, some counties and providers are vaccinating anyone 65 and older while others are sticking to patients 75 and up, leaving residents confused and frustrated.

Feds Buying 200 Million More Vaccine Doses

Health officials said last week that President Joe Biden's goal of achieving 100 million Covid-19 vaccinations within his first 100 days in office is being constrained by two issues: the supply of shots and how quickly they can enter Americans' arms. Acting Centers for Medicare and Medicaid Services Administrator Andy Slavitt said during the administration's first coronavirus briefing that the White House is taking action to increase vaccine supply, noting Biden had invoked the Defense Production Act last week. But he said it would still be months until every American who wanted a vaccine is able to get one. About 47 million doses have already been delivered to states and long-term care facilities, with roughly 24 million shots administered so far nationwide. It will take 500 million vials to vaccinate every American over 16 with a two-dose regiment of vaccine, using both Moderna's and Pfizer's vaccines, Slavitt said during the virtual briefing. The government plans to buy another 200 million doses from both companies this year.

EMPLOYER ISSUES

Mandatory vs. Voluntary COVID-19 Vaccination Policies

Now that COVID-19 vaccines are gradually rolling out, employers are asking if they can – and should – require employees to get vaccinated and are considering what they can do if employees refuse. [Meyers/Nave](#) has put together a very useful overview of what California Employers need to know about vaccination policies.

Q: Can employers require employees to obtain COVID-19 vaccinations?

A: Likely yes, but employers must be prepared to accommodate employees with disabilities and religious objections, and comply with applicable meet and confer obligations and collective bargaining provisions. In its most recent [guidance](#), the US Equal Employment Opportunity Commission (“EEOC”) made clear that an employer can (1) mandate that employees take vaccines and (2) keep unvaccinated employees out of the workplace if the employer determines that the unvaccinated employee poses a “direct threat” due to a “significant risk of substantial harm to the health or safety of the individual or others that cannot be eliminated or reduced by reasonable accommodation.” At the same time, employers must still provide reasonable accommodations and engage in the interactive process with employees who have disabilities and cannot take the vaccine or those with sincerely held religious beliefs in opposition to vaccination.

Q: Should employers mandate COVID-19 vaccinations?

A: While the EEOC Guidance provides a framework under which mandatory vaccination requirements may be lawful, employers still need to carefully consider (1) the benefits, risks and expenses that may accompany a mandatory vaccination policy and (2) whether

requiring vaccination is truly necessary. Employers with unions will be required to comply with applicable memorandum of understanding (“MOU”) provisions and satisfy meet and confer obligations for represented employees in order to mandate vaccinations. Careful attention should be placed on any rules or MOU provisions that may limit the ability to mandate vaccinations or prohibit the ability to change existing terms and conditions of employment without union agreement. All employers should consider that, under applicable wage and hour laws, if vaccines are mandated, the time it takes for an employee to get vaccinated should be treated as compensable work time. Similarly, any costs associated with getting the vaccine would be reimbursable business expenses.

Q: What happens if many employees refuse to be vaccinated?

A: Employers may be reluctant to discipline or terminate a large number of employees, and equally reluctant to create multiple individual exceptions that may lead to litigation. For example, reports are finding that 10% to 20% of health care workers are refusing vaccination, regardless of whether they have a reason to object based on disability or religion. For employees with for-cause employment rights, employers need to comply with due process before taking corrective action against employees as a result of a refusal to be vaccinated. Because this is an untested area of law, employers should consult with legal counsel before considering corrective action.

Q: What other issues need to be considered?

A: Many important questions need to be answered, including will the vaccination policy be written? How will the employer collect and protect employees’ vaccination records? What are the risks to employees, the public, customers, or clients if the employer does not mandate vaccination? Would a voluntary vaccination policy be as effective? Can the employer offer incentives to encourage vaccination? Will employers continue to maintain health and safety measures such as masks and social distancing after employees are vaccinated? How should employers handle meet and confer or renegotiating existing MOUs?

WHAT WE’RE READING

A guide to California’s new COVID-19 notice and record-keeping requirements

In response to the ongoing spread of COVID-19 in California, Governor Gavin Newsom signed AB 685, a law meant to gather data about the spread of COVID-19 in California by tracking and tracing workplace exposure to the virus. Gathering information about workplace illness is meant to assist in efforts to limit community exposure to COVID-19 and minimize the spread of COVID-19 throughout the State. To read the full story, click [here](#).

Liability Questions For Calif. Employers On Vaccine Mandates

While it has been over a month since the first Californian was vaccinated — on December 14, 2020 — for COVID-19, the Golden State, like much of the rest of the nation, is nowhere close to resuming a normal life. With many California employers hoping to bring their employees back to the office or others simply wanting to be able to open their doors for business again, the emergency approvals of vaccines for COVID-19 provide a glimmer of hope. In fact, it's the hope that the general population is now looking for. To read the full story, click [here](#).

The COVID-19 Pandemic Will Forever Change How You Experience Live Events

On the first official night of this year's all-digital CES, while sitting at my desk, I watched Billie Eilish perform on a virtual stage floating in space. Below her, surrounded by VIP lounges and computer-animated dancers, an audience of hundreds of little dots floated around a massive virtual arena. Behind each digital dot: A real-life person sitting behind a screen at home, likely wearing the same bemused expression as me. Welcome to the virtual concert. To read the full story, click [here](#).

Ford's Ready To Kick COVID-19's Butt With New Masks, Filtration Tech

Ford's appealing to America's better angels to keep up the fight against the coronavirus and revealed on Tuesday new technology it plans to roll out, donate and deploy to help the country beat back COVID-19. They're two specific pieces of technology: A new N95 respirator mask and a simple-to-build air filtration system. The N95 mask Ford developed is totally transparent and allows people interacting to once again see facial expressions. It's meant to bring a little more humanity to the pandemic, as smiles, laughter and basic human emotion are hidden behind necessary face coverings. The automaker said it's confident the design will receive N95 certification for filtration and will continue to test the mask through winter. If all goes well, it hopes to have the masks available this spring. To read the full story, click [here](#).

COVID-19 and Construction: Cal/OSHA Emergency Temporary Standards Address Issues for Industry Employers

The California Division of Occupational Safety and Health (Cal/OSHA) recently updated its frequently asked questions (FAQs) guidance, "COVID-19 Emergency Temporary Standards Frequently Asked Questions". The FAQs clarified some areas of the regulation and provided additional guidance for California employers, particularly construction companies. Under the Emergency Temporary Standards (ETS) adopted on November 30, 2020, California construction companies face specific standards related to transportation and workplace exposures that create unique questions and challenges. To read the full story, click [here](#).

How To Get The Second Dose Of Vaccine — And Everything You Need To Know About It

Securing the first dose of the coveted COVID-19 vaccine is no small feat, but that's not where the journey ends -- one dose is not enough protection. There are currently two versions of the vaccine being distributed in the greater Los Angeles area -- and both of them require *two* doses. For Pfizer's vaccine the doses should be given three weeks apart (21 days). For Moderna's vaccine the doses should be given four weeks apart (28 days). But getting that second dose has not been straightforward, and we've been receiving a lot of messages like this: To read the full story, click [here](#).

As California Lifts Restrictions, A Top Health Official Worries About Covid-19 Variants And The Slow Vaccine Supply

The stay-at-home order in California has ended, but a top Los Angeles health official worries that another spike could be on the horizon as Covid-19 variants spread and the supply of vaccines struggles to meet the demand. State officials in California, a recent epicenter of the pandemic in the US, lifted the regional stay at home order for all five regions on Monday in light of expectations that the ICU bed capacity would meet a key threshold in four weeks. To read the full story, click [here](#).

Federal Court Strikes Down Some California COVID-19 Church Restrictions, Leaves Others Intact

A federal appeals court on Monday handed a partial victory to a Pasadena church by agreeing to its request to strike down state coronavirus rules setting specific church attendance numbers, but the court still upheld other limits on worship services in areas hit hard by the pandemic. A three-judge panel of the 9th US Circuit Court of Appeals, in response to a lawsuit brought by Harvest Rock Church, barred state-imposed indoor church attendance restrictions of 100 and 200 people for areas that are in the second and third tiers of the State's four-tier pandemic tracking system. To read the full story, click [here](#).

California Revamps Covid-19 Vaccine Delivery System Amid Criticism Over Slow Rollout

California is revamping its coronavirus vaccine delivery system amid criticism over the slow and inefficient rollout of doses, the California Department of Public Health announced Tuesday. The new system aims to simplify eligibility, standardize information and data, and address the available supply of doses by streamlining the process, the department said. California has been hit hard by the pandemic.

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

CDC Urges Schools to Reopen, Adding Fuel to Fire

The likelihood of Covid transmission in schools is very low and teachers should go back to work there now, according to a paper published Tuesday by top researchers at the Centers for Disease Control and Prevention that is certain to add fuel to the growing controversy over school reopenings. So far, “there has been little evidence that schools have contributed meaningfully to increased community transmission,” the researchers said. To read the full story, click [here](#).

Bank Of America Says It Lost ‘Hundreds Of Millions’ On California’s Unemployment Fiasco

California unemployment debit card contractor Bank of America lost “hundreds of millions” of dollars last year as it scrambled to address record jobless claims, rampant fraud and a flood of consumer complaints, a senior bank executive told lawmakers today. The assertion came at a state hearing hours after a new audit slammed the California Employment Development Department for years of mismanagement and technical errors that culminated in a failure to respond to skyrocketing unemployment after COVID-19 lockdowns. More than an hour into the contentious Assembly budget committee meeting, the bank, which contracts with the state agency, was directly asked how much it has made on the contract it has held since 2010 — a question that both the bank and the State have repeatedly refused to answer when asked by CalMatters. To read the full story, click [here](#).

How The Bay Area Coronavirus Variant Differs From Those In UK, South Africa And Brazil

The new coronavirus variant linked to some recent Bay Area outbreaks is one of several circulating in the US and around the world that are worrying experts amid the race to vaccinate enough people to stem the pandemic. Concerns were heightened when, earlier this month, the CDC warned that the more transmissible B117 variant first reported in the United Kingdom could become the dominant strain by March. On Monday, an individual infected with the Brazil variant was confirmed to be in Minnesota. To read the full story, click [here](#).

COVID-19’ Fatigue’ Is A Real Thing — And Not A Good One, Say USC Researchers

COVID-19 “fatigue” is having a negative effect on some protective measures that people are taking to guard against the coronavirus — although mask-wearing is up, according to a new USC survey. Protective measures such as avoiding close contact with non-household members and staying home are waning as the pandemic drags on, the study reported. The findings were called worrisome, given the importance of the “Swiss cheese” model of pandemic defense — in which multiple layers of protection block the spread of the new coronavirus. Researchers said that protective behaviors remain

important until a large percentage of the population is vaccinated. To read the full story, click [here](#).

Audit: Millions May Have To Repay California Jobless Aid

As millions of people filed for unemployment benefits during multiple government-ordered business shutdowns, state officials decided to stop doing some of the time-consuming work necessary to ensure those who applied for benefits were eligible to get them. Those decisions helped the agency pay claims faster, but it still had to go back later and check that people were eligible. So 10 months after the pandemic began, the Employment Development Department has amassed a massive backlog of those checks. In that total, 2.4 million people might have been ineligible for benefits at all and 1.7 million might have been overpaid. It's likely some people fall into both categories. To read the full story, click [here](#).

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Are San Francisco Rents Showing First Sign Of Return To 'Normal'?

Apartment rents rose across San Francisco, San Jose and Oakland in January, the first price growth since the coronavirus pandemic erupted last spring, according to a new report. San Francisco's one-bedroom median rent was up 0.8% to \$2,680 per month from the prior month, the first increase since April 2020, according to real estate listings company Zumper. San Jose was up 1.9% to \$2,130 per month, and Oakland spiked 2.6% to \$2,000 per month, both compared with the prior month. San Francisco's rents have still plunged 23.9% from the previous year, while Oakland fell 19% and San Jose was down 12.7%, according to Zumper. The widespread embrace of remote work, particularly in the tech industry, has upended a housing market that appeared unstoppable, fueled by nearly a decade of record job growth and business expansion. To read the full story, click [here](#).

How The Bay Area Coronavirus Variant Differs From Those In UK, South Africa And Brazil

The new coronavirus variant linked to some recent Bay Area outbreaks is one of several circulating in the US and around the world that are worrying experts amid the race to vaccinate enough people to stem the pandemic. ... There are actually thousands of coronavirus variants out there, but a handful in particular are causing concern because they are more transmissible, and some may even be able to evade antibodies produced by vaccines. Many may be wondering how the Bay Area variant differs from the others. Here's what we know so far about the most discussed variants. To read the full story, click [here](#).

'Sharp Decline' In COVID Cases Among LA Firefighters After Vaccinations

The number of Los Angeles firefighters testing positive for the coronavirus has dropped significantly since the city fire agency began offering its members vaccinations, Fire Chief Ralph Terrazas said in a memo to firefighters this week. In the memo dated Tuesday and obtained by The Times, Terrazas said the Los Angeles Fire Department has seen a "sharp decline" in cases since firefighters started getting the shots December 28. A chart included with the memo shows that the LAFD was averaging more than 15 new cases a day before the vaccination program. The number soon plummeted. In the most recent week, the department has averaged fewer than five new cases a day. To read the full story, click [here](#).

With Gov. Newsom's Back-To-School Plan All But Doomed, What Might It Take To Salvage It?

Odds are increasingly remote that Gov. Gavin Newsom's plan to provide financial incentives for districts to reopen schools in February and March will get off the ground. During two hearings on the proposal, legislators repeated districts' complaints that the initial February 1 deadline to apply was unrealistic and should be pushed back. "Why is the administration holding to these days when all I am hearing from is districts that they will not be applying?" Sen. Connie Leyva, D-Chino, who chairs the Senate Education Committee, asked administration officials last week at a Senate hearing. There's no indication that the Legislature will act this week to approve the \$2 billion the State would offer to districts that meet Newsom's timeline and conditions. That needs to happen before the proposal can take effect. But the demise of one plan could lead to the birth of another. To read the full story, click [here](#).

L.A.-Area Elementary Schools Could Reach Threshold For Reopening In Two To Three Weeks

Elementary school campuses in Los Angeles County could be eligible to reopen in two to three weeks if countywide coronavirus infection rates continue to drop, county Public Health Department Director Barbara Ferrer said Wednesday. While the possibility of a quick return is sure to thrill some parents and students, school officials and some local

advocacy groups expressed caution over the development. And Ferrer warned that the current positive trend could easily reverse. To read the full story, click [here](#).

Economy Expected To Rebound This Year, After Falling 3.5% In 2020 Despite 4th Quarter Gains

The US economy grew steadily in the fourth quarter of 2020 and is forecast to continue recovering this year from the effects of the pandemic. Despite a strong rebound in the second half of last year, the economy contracted 3.5% in 2020, measured year over year, the first decline since the financial crisis and the largest since 1946. Measured from the fourth quarter to the same quarter a year ago, the economy shrank 2.5%. US gross domestic product—the value of all goods and services produced across the economy—rose at a 4.0% seasonally and inflation adjusted annual rate in the final quarter of last year, the Commerce Department said on Thursday, joining a record gain in the third quarter to further reduce losses from earlier in the pandemic. To read the full story, click [here](#).

NY. Severely Undercounted Virus Deaths in Nursing Homes, Report Says

The New York State attorney general accused the Cuomo administration of undercounting coronavirus-related deaths at nursing homes by as much as 50 percent, according to a report released on Thursday. The count of deaths in state nursing homes has been a source of controversy for Gov. Andrew M. Cuomo and state Health Department officials, who have been sensitive to any suggestion that they played any role in the number of nursing home deaths, which the State put at more than 8,500. They have also been accused of obscuring a more accurate estimate of nursing home deaths, because the State only counted deaths at the actual facilities, rather than including deaths of residents who were transferred to a hospital and died there. To read the full story, click [here](#).

Some Ventura County Businesses Can Reopen, Others Expand As State Lifts Stay-At-Home Order

Restaurants in Ventura County can resume outdoor dining immediately. Hair salons and libraries can reopen with restrictions. Standalone grocery stores can expand operations, all in wake of Monday's cancellation of a regional stay-at-home order across California. To read the full story, click [here](#).

After 2 People Arrived At Ventura COVID-19 Vaccine Site Saying They Paid For Doses, Officials Warn Of Scams

Ventura County officials on Tuesday are warning residents of scammers who dupe people into paying them with the promise of COVID-19 vaccines. An elderly couple

arrived at a vaccination site in the county on Tuesday, saying they “pre-paid for their vaccine,” officials announced on Facebook. To read the full story, click [here](#).

Challenging California’s pandemic mandates on businesses

Some of California’s COVID-19 mandates on business are illegal – and they’re killing countless California small businesses. We’ve sued the State to overturn these dangerous and destructive mandates before any more damage is done. Since the start of the pandemic, California small businesses have taken every step imaginable to protect their workers, customers, and communities. They’ve implemented and enforced social distancing, worked nights and weekends to install barriers and protective equipment, and even shifted their entire business models. They’ve done this at a staggering cost: Retail businesses alone have spent more than \$8 billion to make their locations safe for everyone. To read the full story, click [here](#).

Supreme Court Justice Orders Governor Newsom to Respond in Pasadena Harvest Rock Church Case

US Supreme Court Associate Justice Elena Kagan has ordered Gov. Gavin Newsom to respond by 5 p.m. Friday to an injunction filed by a local church opposed to Newsom’s orders in fighting COVID-19

Lawyers for Harvest Rock Church filed for an injunction with the High Court to prevent the State and the city of Pasadena from enforcing health orders preventing church members from meeting in person in an enclosed space. Earlier this week, the Ninth Circuit Court of Appeals in San Francisco ruled that churches could hold indoor services with a limited congregation in areas where COVID-19 is not widespread. To read the full story, click [here](#).

California Jobless Agency Was Warned Of Fraud, Did Little

Despite warnings, California’s unemployment agency did nothing for four months to stop paying bogus jobless claims, according to an audit released Thursday that blamed Gov. Gavin Newsom’s administration for “significant missteps and inaction” costing taxpayers \$10.4 billion and counting. The report from California State Auditor Elaine Howle found the agency was flagging as many as 1,000 suspicious claims per day in the first four months of the coronavirus pandemic, yet it only had two people responsible for reviewing those reports and stopping the payments. It wasn’t until July that the agency automated this process. But even then, it did not act to stop fraudulent payments. One sign of a sham is multiple claims filed from the same address. In one assessment, the agency found 555,000 claims associated with 26,000 addresses, an average of 21 per address. Yet the agency did nothing, simply referring to the report as “informational.” Read the State Auditor’s second report [here](#). To read the full story, click [here](#).

Despite Cal/OSHA's Emergency COVID-19 Safety Rule, Workers Say Little Has Changed

Low-wage workers facing recurring outbreaks on the job say little has changed in the two months since the measures took effect. Union leaders fault the painfully slow rollout to long-standing failures at California's Division of Occupational Safety and Health, or Cal/OSHA, which oversees worker safety. Business groups — pushing back against the idea that workplaces are fueling the spread of COVID-19 — are seeking to reverse the measures, which require detailed protocols for masks, social distancing, virus testing and ventilation. A lawsuit set for a preliminary hearing Thursday in San Francisco called the mandate so “ruinous” it threatens the “continued existence” of small businesses. Another topic of the hearing will be a lawsuit filed in Los Angeles by agricultural groups on similar grounds. To read the full story, click [here](#).

Johnson & Johnson Vaccine Is 66 Percent Effective In Global Study

Johnson and Johnson's single-dose Covid-19 vaccine was 66 percent effective at preventing moderate and severe disease in a global study, the company said Friday. The hotly anticipated findings are the first from a late-stage trial that enrolled 45,000 people across the world. While the shot was 72 percent effective in the US arm of the trial, it fell to just 57 percent in South Africa, where a highly transmissible variant predominates. Overall, the company said the shot was 85 percent effective in preventing severe disease, and that protective effect increased over time. The vaccine provided “complete protection against COVID-related hospitalization and death,” the company added. To read the full story, click [here](#).

Newsom: California Schools Won't Reopen 'If We Wait For The Perfect'

A frustrated Gov. Gavin Newsom on Thursday said school administrators and teachers unions should agree as soon as possible to reopen schools for younger students — or else be clear with families that they will not return to classrooms at all this academic year. Newsom was responding to growing demands that all teachers receive vaccines first, but also a long list of conditions that go beyond what the governor has proposed as safe to reopen schools that have been shut for nearly a year. The vast majority of California's 6 million public schoolchildren haven't been on campuses since March. “If we wait for the perfect, we might as well just pack it up and just be honest with folks that we're not going to open for in-person instruction this school year,” Newsom said during a candid conversation with the Association of California School Administrators that was on YouTube but later made inaccessible. To read the full story, click [here](#).

California's Recovery Backslides

The California economy ended the year with another setback. In December, jobs in California declined for the first time since April 2020. Unemployment ticked up to 9%—

erasing November gains—and placing most of the impact on job sectors most affected by the pandemic. To read the full story, click [here](#).

New Stimulus Expands the Employee Retention Tax Credit

On December 27, 2020, President Trump signed the Consolidated Appropriations Act into law, which includes various forms of COVID-19 relief (the “New Stimulus Act”). Specifically, the New Stimulus Act includes the Taxpayer Certainty and Disaster Tax Relief Act of 2020, effective January 1, 2021, which, among other things, amends and extends the employee retention tax credit (ERTC) and the availability of advance payments of the tax credits under the CARES Act. This article will revisit the ERTC under the CARES Act and highlight the differences of the ERTC as amended and extended by the New Stimulus Act.

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

California’s Outdoor Dining Ban Was Controversial. Did It Help Slow The COVID-19 Surge?

Despite heated opposition and vows of resistance from some restaurant owners and elected officials, there is increasing evidence that California’s latest stay-at-home order, including a ban on outdoor dining, worked to turn around a deadly surge of the coronavirus. Gov. Gavin Newsom announced last week that he was lifting the stay-at-home order that had been in place in most of the State since early December in light of the State’s declining coronavirus case and hospitalization numbers. To read the full story, click [here](#).

Black Market Starting To Emerge Amid Coronavirus Vaccine Shortages

In Miami, priority access to COVID vaccines was dangled as a lure to huge hospital donors. In New York, hospital employees laboring from residence cut in front of their frontline colleagues on the COVID-19 vaccine line. In California, lecturers on the rich Los Gatos Union College District had been urged — by their superintendent — to masquerade as well being care employees to get vaccines forward of schedule. To read the full story, click [here](#).

Vaccine Ruled Out As Cause Of Death In Man Who Had COVID-19, Placer County Officials Say

The Placer County Sheriff-Coroner Office ruled out a coronavirus vaccine as the cause of death in a 64-year-old man who died on January 21 shortly after being administered a dose. The man, a health care worker at a facility in the county, tested positive for COVID-19 in late December and, according to a Saturday update from the Sheriff’s Office, “he also had underlying health issues, and had been exhibiting symptoms of illness at the time the vaccine was administered.” Several hours after receiving the

vaccination, the man died, but the Sheriff's Office was clear in stating that the vaccine was not to blame: "Clinical examination and lab results have determined the COVID-19 vaccine has been ruled out as a contributing factor in the individual's death." To read the full story, click [here](#).

A California University Tries to Shield an Entire City From Coronavirus

The University of California, Davis, is providing free testing, masks and quarantine housing to tens of thousands of people who live nearby. ... Public health experts say the initiative is the most ambitious program of its type in the country and could be a model for other universities. U.C. Davis, part of the 10-campus University of California system, has made free coronavirus tests — twice weekly, with overnight results — available to all 69,500 people in the city of Davis and hundreds of nonresidents who just work there. To read the full story, click [here](#).

US Economy Expected to Reach Pre-Pandemic Peak by Mid-2021

The US economy is expected to expand more rapidly in 2021 than officials projected in July, but it will take several years for output to reach its full potential and for the number of employed workers to return to its pre-pandemic peak, according to new economic projections released Monday. The Congressional Budget Office said it expects gross domestic product, the broadest measure of economic output, will return to its pre-pandemic level by the middle of this year, thanks in part to a surge of relief spending Congress authorized in 2020, including aid for households and businesses. Gross domestic product is expected to grow 3.7% in the fourth quarter of 2021 compared with a year earlier and to expand 2.4% in 2022. Growth will average 2.6% a year through 2025, the CBO said. The agency said a roughly \$900 billion relief bill enacted in December will add about 1.5% to the level of GDP this year and next. To read the full story, click [here](#).

Why Blue Shield For California's COVID Vaccine Effort? Gavin Newsom's Administration Says Little

State officials have offered few explanations about their decision this week to turn over coronavirus vaccine distribution to the health insurance giant Blue Shield of California, including who selected the company, whether there were competitors and why the State could no longer do the job itself. Since announcing Wednesday that California would sign a deal with the Oakland-based nonprofit health plan provider to manage its statewide vaccine delivery network, Gov. Gavin Newsom's administration has declined to share additional information about the agreement, which is still being finalized. Among the details that officials have yet to reveal: how much the State will pay Blue Shield. To read the full story, click [here](#).

Surprising Rise In California Entrepreneurs Daring To Start New Businesses During Pandemic

Despite a grim economy, applications for new business licenses are on the rise: In California, 442,324 were filed in 2020, a 21.7% increase from the year before, according to an analysis of data that the US Census Bureau developed with economists and the federal reserve. Across the US, about 4.4 million applications for new businesses were filed last year, compared to roughly 3.5 million in 2019, according to the same data, which is considered an experimental Census product. To read the full story, click [here](#).

Rapid Spread Of UK Coronavirus Variant In Southern California Sparks Alarm

The spread of the highly contagious coronavirus variant first identified in Britain is sparking worry about a future surge in Southern California, one of the nation's two hot spots of the strain. Scientists say it is essential to keep coronavirus transmission low and ramp up vaccinations quickly, and if the variant spins out of control, hospital systems could again become overwhelmed. The variant, known as B.1.1.7, has been identified in 467 people in 32 states. Florida has seen the most cases, with at least 147, followed by California, with at least 113. B.1.1.7 is expected to become the dominant variant within weeks. LA County officials announced the second confirmed case Saturday and said it is "spreading in the county." At least two cases have been identified in San Bernardino County. To read the full story, click [here](#).

California Schools Consider Extending School Year While Mental Health Remains A Concern

As Covid-19 infection rates continue to delay the reopening of many schools across California, some education leaders have floated the idea of extending the school year to address learning loss among students at risk of falling behind. At the same time, concerns about mental health suggest longer may not necessarily be better. ... The idea also surfaced during a recent state Department of Education meeting, when board president Linda Darling Hammond and board member Patricia Ann Rucker agreed that "one thing we can think about is extending the school year timeline" in order to meet the statewide assessment requirements. Many education experts, however, caution that the mental health of students must be prioritized as administrators discuss potential extensions to the school year. To read the full story, click [here](#).

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Over 80 People Arrested In China For Smuggling Fake COVID-19 Vaccines

China has arrested over 80 people for smuggling and supplying counterfeit COVID-19 vaccines, amid reports that some of the jabs have already made their way to Africa, the official media reported on Tuesday. Apart from the arrests, 3,000 doses of the fake vaccines were confiscated from the accused in a special drive that China has carried out to curb vaccine-related crimes, the Global Times reported. To read the full story, click [here](#).

What happens when all that rent comes due?

Good morning. I’m LA Times Business reporter Andrew Khouri, filling in for Rachel Schnalzer to bring you our weekly newsletter. The COVID-19 pandemic has caused millions of Americans to lose their jobs and made it difficult for people to pay all their bills. A series of eviction moratoriums — temporary rules that give tenants more ground to fight eviction — has kept roofs over many people’s heads. But that has not relieved tenants of the obligation to eventually pay the rent debt they’re accumulating. To read the full story, click [here](#).

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