

## Weekly COVID-19 Update From EKA March 24, 2021

### Free Donuts For Getting Vaccinated

Kristy Kreme is providing a sweet incentive to encourage vaccinations – free doughnuts through the end of 2021. Anyone who shows a valid COVID-19 vaccination card at locations nationwide will get a free original glazed doughnut. The offer is valid at all 369 Krispy Kreme shops in 41 states.

## VACCINATION

### COVID-19 Vaccine Update

Per the [State's COVID-19 Vaccine Allocation Guidelines](#), healthcare providers are now able to use their clinical judgment to vaccinate individuals age 16 – 64 who are deemed to be at the very highest risk to get sick from COVID-19 because they have the following severe health conditions:

- Cancer, current with weakened immune system
- Chronic kidney disease, stage 4 or above
- Chronic pulmonary disease, oxygen dependent
- Down syndrome
- Solid organ transplant, leading to a weakened immune system
- Pregnancy
- Sickle cell disease
- Heart conditions, such as heart failure, coronary artery disease, or cardiomyopathies (but not hypertension)
- Severe obesity (Body Mass Index  $\geq 40$  kg/m<sup>2</sup>)
- Type 2 diabetes mellitus with hemoglobin A1c level greater than 7.5%

OR if, as a result of a developmental or other significant, high-risk disability, one or more of the following applies:

- The individual is likely to develop severe life-threatening illness or death from COVID-19 infection
- Acquiring COVID-19 will limit the individual's ability to receive ongoing care or services vital to their well-being and survival
- Providing adequate and timely COVID care will be particularly challenging as a result of the individual's disability.

View additional information on the [State's Vaccine Plan webpage](#), register on the [MyTurn website](#) to be notified when you're eligible to receive your vaccination, and [visit the LA County COVID-19 Vaccine website for more information](#). Registration is required

for a vaccine appointment. Eligible LA County residents with internet access and a computer are urged to use the [Vaccinate LA County website](#) to reserve an appointment. For those without access to the internet or with disabilities, a call center is open daily from 8 AM to 8:30 PM to help schedule appointments; dial (833) 540-0473 if you are in need of assistance. Please note that this phone line is reserved for people with disabilities or for those who don't have internet access.

### **Janitorial/Custodial COVID-19 Vaccine Information**

Janitors/Custodians are now eligible to receive the COVID-vaccine. Please help us identify individuals at your workplace who meet the criteria below and encourage them to get vaccinated. Eligible janitorial/custodial/maintenance staff include the following:

- Staff whose primary job duties are to clean shared and public spaces, including public walkways and lounges, office spaces, restrooms, food courts, etc.
- Staff whose primary job duties involve performing laundry services

Staff are **not yet eligible** if they work only remotely, only work outdoors or in parts of indoor buildings doing work that does not involve high-risk exposures to COVID-19, or work only in private residences. Administration or retail associates whose primary job duties do not involve cleaning are also not eligible at this time. Eligible staff should be instructed to book an appointment by using the following steps:

- Visit [myturn.ca.gov](https://myturn.ca.gov); there are many different settings in which you can sign up for a vaccine through this website
- When selecting which eligible "business/industry" you work in, if you do not see "Janitorial/Custodial" as an option, select "Emergency Services".
- Read carefully the instructions on what documentation to bring to your visit
- As there are a limited number of appointments available, you are strongly encouraged to be persistent in making your appointment through the website.

### **State Expands Eligibility for Coronavirus Vaccine**

California made another 4 million people eligible for the coronavirus vaccine. State public health officials followed federal guidance by announcing that people 65 and older could now get the vaccine, joining the already eligible next tier of emergency workers, teachers, childcare providers and food and agriculture workers. But the decision perplexed some county officials who say they don't even have enough doses right now to vaccinate those who were already eligible.

### **When You've Been Fully Vaccinated: Interim Public Health Recommendations**

The CDC has issued long-awaited guidance on what fully vaccinated individuals can and can't do, in the workplace and elsewhere. On March 8, 2021, the CDC issued its [Interim Public Health Recommendations for Fully Vaccinated People](#), its first set of public health

recommendations for fully vaccinated people. On the same day, the CDC posted an accompanying webpage entitled “[When You’ve Been Fully Vaccinated](#),” detailing what has and hasn’t changed for people who are fully vaccinated.

## **REOPENING**

### **School Reopening Plan**

The target for reopening schools remains mid-April for preschool and elementary school students and students with learning differences and disabilities. The target for reopening secondary schools is the end of April. Please review the [Return To Campus Family Guide](#).

### **California Adopts CDC’s Recommendation To Reduce Social Distancing In School To 3 Feet**

In alignment with new federal guidance, Governor Newsom and the California Department of Public Health have halved the minimum social distancing requirement in schools from 6 feet to 3 feet. The change may enable many school districts to resume full-day, in-person instruction before the end of this school year, instead of having to remain in full distance learning or resorting to a hybrid model, with fewer students at one time attending fewer hours per week, because of distancing constraints. Aides to Newsom briefed representatives from school organizations late Friday about several rules changes, and the California Department of Public Health announced them on Saturday. The revisions, which will also enable middle and high schools in counties with high rates of Covid infection to reopen sooner, should help resolve a lawsuit that parent groups from six school districts in San Diego County filed against the state and their districts.

### **Santa Monica College To Offer In-Person Classes**

Santa Monica College (SMC) has announced that in-person classes will return in a limited capacity this fall. SMC announced it will offer an array of course offerings for the Fall 2021 semester, which begins August 30. According to the college, while most of the 2,900-plus classes will be online, a “significant number” of in-person offerings will also be made available. This coincides with Los Angeles County moving into the red tier Monday allowing institutes of higher education like SMC to provide lecture classes at a reduced room capacity. The exact number of in-person classes has not been set, SMC said, as its Academic Affairs and instructional departments are in the process of finalizing the schedule. In addition, SMC noted “in-person offerings may pivot back to an online, remote environment should it become necessary.

### **Disneyland to reopen with limited capacity on April 30**

More than a year after closing due to the pandemic, the theme parks at the Disneyland Resort in Anaheim are scheduled to open April 30 with limited capacity and restrictions on some attractions, the Walt Disney Co. announced. The resort also plans to reopen its hotels in phases, with Disney's Grand Californian Hotel & Spa set to reopen on April 29, Disney Vacation Club Villas at Disney's Grand Californian Hotel & Spa on May 2, and Disney's Paradise Pier Hotel and the Disneyland Hotel at a later date, the park announced on its website.

### **Reopening Some Sectors with Safety Protocols in Place**

As COVID-19 case rates, hospitalizations, and deaths continue to decrease, Public Health urges residents to proceed with caution. Effective Monday, March 15, the following reopenings are now permitted with required safety protocols for masking, distancing and infection control:

- **Museums, Zoos and Aquariums** can open indoors at 25% capacity.
- **Gyms, Fitness Centers, Yoga and Dance Studios** can open indoors at 10% capacity with masking requirement for all indoor activities.
- **Movie Theatres** can open indoors at 25% capacity with reserved seating only where each group is seated with at least 6 feet of distance in all directions between any other groups.
- **Retail and Personal Care Services** can increase capacity to 50% with masking required at all times and for all services.
- **Restaurants** can open indoors at 25% max capacity under the following conditions: eight feet distancing between tables; one household per indoor table with a limit of six people; the HVAC system is in good working order and has been evaluated, and to the maximum extent possible ventilation has been increased. Public Health strongly recommends that all restaurant employees interacting with customers indoors are provided with additional masking protection (above the currently required face shield over face masks); this can be fit tested N95 masks, KN95 masks, or double masks, in addition to the required face shield. Public Health also strongly recommends that all employees working indoors are informed about and offered opportunities to be vaccinated against COVID-19. Outdoor dining can accommodate up to six people per table from three different households.
- **Indoor Shopping Malls** can increase capacity to 50% with common areas remaining closed; food courts can open at 25% capacity adhering to the restaurant guidance for indoor dining.
- **Institutes of Higher Education** can reopen all permitted activities with required safety modifications except for residential housing which remains under current restrictions for the Spring semester.

- **Schools** are permitted to reopen for in-person instruction for students in grades 7-12 adhering to all state and county directives.
- **Private gatherings** can occur indoors with up to three separate households, with masking and distancing required at all times. People who are fully vaccinated can gather in small numbers indoors with other people who are fully vaccinated without required masking and distancing.

However, just because certain activities are allowed or certain reopening protocols are revised, does not mean that those activities are “safe” and without risk. To keep yourself, your family, your friends and neighbors, and the broader community and local economy safe, continue following these core practices:

- Go outdoors. Outdoor activities are far safer than indoor ones.
- Stay masked. Consistent and correct use of masks, especially double-masking, both indoors and outdoors, is very effective at preventing the spread of COVID-19.
- Maintain at least a 6-foot distance from others. Physical distancing from those who do not live with you also helps to keep the virus away.
- Avoid crowds. The fewer people you encounter and the fewer interactions you have, the smaller the chance the virus will spread.

Get vaccinated when it’s your turn. All federally authorized vaccines work well and will help protect you, your family, and your friends against COVID-19.

## **LOS ANGELES COUNTY**

### **County Updates Guidance on COVID-19 Safety Violations and Fines**

Updated guidance on COVID-19 health inspections was approved Tuesday as indoor dining, movie theaters and gyms begin reopening under less restrictive health orders in Los Angeles County. The LA County Board of Supervisors approved guidance focused on penalizing only the worst or repeat offenders for COVID-19-related health violations. The vote, held without any comment by the board, was unanimous. Supervisors Janice Hahn and Kathryn Barger had tried last week to pass a motion directing health inspectors not to impose any fines at all on a first visit. Hahn, who co-authored a July motion calling for financial penalties, last week said some fines amounted to “salt in the wound” for businesses struggling to get back on their feet and heavily spending on safety improvements. The motion was amended to direct inspectors to only consider a fine on a first visit for “the most significant violations,” and also added “repeated uncured violations,” in addition to significant violations, as a reason to revoke or suspend a public health permit.

## **Revised Health Officer Order**

LA County updated the Los Angeles County [Health Officer Order](#) effective as of March 20, 2021. The HOO was modified to reflect updates that allow breweries, distilleries, and wineries to reopen for outdoors only if not serving a bona fide meal; add a specific protocol for Limited Services, [Appendix W](#) and increase the number of participants obtaining in-person behavioral health or substance use disorder support in therapeutic small group meetings and obtaining in-person faith based small group counseling services, where the services cannot reasonably be practiced remotely. Public Health's HOO and sector protocols are available on the [Health Department website](#).

## **SACRAMENTO**

### **Governor Signs Legislation on Supplemental Paid Sick Leave**

Governor Gavin Newsom signed SB 95, legislation to ensure access to up to 80 hours of COVID-19 supplemental paid sick leave for eligible employees, including those advised to quarantine or isolate and those caring for COVID-impacted family members. SB 95 extends protections through September 30, 2021, and is retroactive to sick leave taken beginning January 1, 2021. Small businesses employing 25 or fewer workers are exempt from the legislation but may offer supplemental paid sick leave and, if eligible, receive a federal tax credit. California took [early action](#) to expand paid sick days to employees in the food sector and later enacted [paid sick days protections](#) for every employee exposed to or positive for COVID-19. From the beginning of the pandemic, the Administration has taken action to protect and support California's workforce, including expanding access to job-protected [Paid Family Leave](#) and [workers' compensation](#); [more resources](#) for critical [child support services](#) for essential employees and vulnerable populations; [additional weekly unemployment benefits](#); and support for employees to [isolate and quarantine](#) outside their home. For the full text of the bill click [here](#).

### **CA COVID-19 Rent Relief Program**

Income eligible households who need financial assistance for unpaid rent and utilities will be able to apply for help through the CA COVID-19 Rent Relief Program. Persons who have experienced a financial hardship due to COVID-19, have past due rent or utilities, and have a household income that is not more than 80% of the area median income may be eligible to receive help to pay past due or future rent and utilities from the State of California. Property owners and renters can verify eligibility immediately by visiting [HousingIsKey.com](#)

### **California Tax Revenue Surges \$14.3B Above Expectations, Freeing Money For COVID Relief**

California has collected \$14.3 billion more in taxes than it expected to in January, Gov. Gavin Newsom's office announced, painting an even rosier state budget picture than he outlined at the start of the year. ... The state is using a significant portion of the higher-than-expected tax revenue to send \$600 payments to low-income Californians and to provide \$2 billion in grants for businesses hurt by the pandemic through the state's Golden State Stimulus economic relief policy. The gains are on top of an already flush budget projection from January. California has a budget surplus after state officials anticipated a much steeper economic downturn at the start of the pandemic and cut from schools, state worker salaries and other areas to make up for it.

### **California OKs Expansion Of Paid Sick Leave**

The California Legislature on Thursday voted to expand paid sick leave for about 10.4 million workers, sending a bill to Gov. Gavin Newsom that mandates up to two weeks of paid time off for things like having coronavirus symptoms, scheduling a COVID-19 vaccine or caring for a child who is doing school at home. The bill, if it is signed into law, applies to companies with at least 25 employees. The rules would expire on September 30, but are retroactive to January 1. Some companies would have to pay their workers for time off they have already taken. But many companies can get that money back from the federal government. Companies can get a payroll tax credit of up to \$511 per day for each employee that takes the paid sick leave. The tax credit is enough to cover workers who make \$60 an hour or less, according to Democratic state Sen. Nancy Skinner, the bill's primary author.

### **Cost To Vaccinate Californians Rises Amid Changes To Blue Shield Oversight**

The expected cost of administering COVID-19 vaccines in California grew nearly fourfold from two months ago to \$1.3 billion, a price tag made public Thursday as the state also rolls back sweeping changes to its plan to centralize the delivery of doses under a program run by Blue Shield of California, The Times has learned. In a letter sent by the California Government Operations Agency to counties this week, the state said it would give some decision-making powers back to local public health officials by requiring Blue Shield to consult with a county before making recommendations about how many vaccine doses a jurisdiction should receive.

### **California Fears Stimulus Law Jeopardizes PPP Tax Break For Small Businesses**

California has paused its plan to provide additional tax relief to small businesses slammed by the coronavirus pandemic because of a last-minute provision in the newly passed federal stimulus package. The bill signed by President Biden included [\\$26 billion in direct aid](#) for California, prohibited states from using the money to subsidize tax cuts for the next three years. State officials worry that the restriction could prevent them from pursuing a measure that was already in the works, which would allow businesses

that received Paycheck Protection Program loans from the federal government to keep their workers employed during the pandemic to deduct up to \$150,000 of that money from their state taxes. In a letter to Treasury Secretary Janet Yellen, California sought assurances that it would not be penalized for adopting a policy that is already law in some states that automatically conform to the federal tax code. The federal government is not charging taxes on the small business loans. Keely Bosler, the state finance director, wrote that a strict interpretation of the tax cut prohibition would “limit a state’s ability to adopt policies that support federal goals and could thus constrain the economic benefits that were intended by the authorization of these funds.”

### **EDD Website Down As Jobless Californians Try To File Claims**

The website of California’s troubled Employment Development Department was unable to process claimants’ information over the weekend and was still erratic Monday. ... The agency said its IT team is working on the issue and it will post an update on its SDI and UI Online pages when it’s fixed. Meanwhile claimants with problems should just check back later, it said. Thousands of jobless people flocked to social media on Sunday to say that they were unable to certify their claims, a process that must occur every two weeks for unemployment benefits to continue.

## **NATIONAL**

### **CDC Revises Physical-Distancing Recommendation For Schoolchildren**

The U.S. Centers for Disease Control and Prevention cut in half the distance students should remain from one another in classrooms, a step that could speed the reopening of schools. In guidelines updated Friday, the nation’s public-health agency said K-12 students should remain at least three feet apart in classrooms rather than the six feet it had recommended previously, a change it said was made possible by new scientific findings. The agency also removed a recommendation that schools install physical barriers such as sneeze guards, partitions or tape and urged schools to consider Covid-19 symptom screening for sports and extracurricular activities.

### **IRS Tax Filing Deadline Extended**

The Treasury Department and the Internal Revenue Service announced the tax filing deadline for taxpayers will be pushed back from April 15 to May 17, Wednesday. The one-month extension applies both to filings and payments and is only for federal income taxes, not state income taxes.

### **Track Your Stimulus Check**

The IRS reopened its "[Get My Payment](#)" website following the passage of the American Rescue Plan, allowing people to track when they might receive their stimulus

checks. The IRS created this portal last year for the \$1,200 stimulus checks directed by the Coronavirus Aid, Relief and Economic Security, or CARES, Act. When people check the "Get My Payment" site for the new \$1,400 checks, they will see one of several messages. First, some people will see that their payment has been processed, along with a payment date and whether the payment will be sent via direct deposit or mail. If a check is sent by mail, the IRS will either send a paper check or a pre-paid debit card. Others may see a message that they are eligible, but their payment hasn't been processed and therefore there's no payment date available. Another group of people may receive a message that reads "Payment Status Not Available." That message can mean a couple of things, the IRS said. It may indicate that the tax agency either hasn't processed your payment or those people aren't eligible for payment.

### **SBA Defers Repayment Of Disaster Loans Until 2022**

The Small Business Administration pushed back the deferment period for all its disaster loans, including the COVID-19 Economic Injury Disaster Loan (EIDL) program, until next year. The SBA said that all disaster loans made in 2020, including COVID-19 EIDL, will have a first payment due date extended from 12 months until 24 months from the date of the note. Meanwhile, all SBA disaster loans made in 2021, including loans made under the EIDL program, will have a first payment due date extended from 12 months to 18 months from the date of the note. The EIDL program was included in the CARES Act last March as a way to provide loans to small businesses to help them deal with the economic fallout from the coronavirus pandemic. While the \$360 billion program didn't receive as much attention as the Paycheck Protection Program, many businesses ended up applying for the EIDL program, especially since the funds could be used for general operating expenses, and not only for payroll and rent, as the PPP loans were intended to be. The program is still proving to be useful for small businesses, even though EIDL loans are not forgivable like PPP loans. (EIDL advances, a related program from the SBA, don't need to be repaid and are now targeted at low-income communities.)

## **EMPLOYER ISSUES**

### **DFEH Issues Guidance to Employers Regarding Mandatory COVID-19 Vaccination Policies**

The law firm Sheppard Mullin Richter & Hampton LLP issued a bulletin regarding employee vaccination under new guidance from the State's Department of Fair Employment and Housing (DFEH). With the opening up of California businesses and expansion of vaccine eligibility, a key question facing employers has been whether they can require their employees to get vaccinated. On March 4, 2021, California's DFEH finally weighed in with its updated [COVID-19 guidance](#) on several open questions regarding employee vaccination under California law. The US Equal Employment

Opportunity Commission (EEOC) provided similar initial guidance late last year on how mandatory vaccination programs could comply with federal law. Below is the Sheppard bulletin.

On March 4, 2021, the California Department of Fair Employment and Housing (“DFEH”) updated its COVID-19 related guidance. In addition to addressing whether an employer may ask about symptoms, take employees’ temperatures, and require the use of personal protective equipment among other things, the DFEH addresses a question that has been top of mind for many California employers: Can employers require their employees to be vaccinated? The short answer is yes, so long as the employer adheres to the requirements of the Fair Employment and Housing Act (“FEHA”). The DFEH explains how to comply with the FEHA in the event an employer mandates an FDA-approved COVID-19 vaccine.

### **(1) Mandatory Vaccination Policies and Practices Must Not Discriminate Against or Harass Employees Based on a Protected Characteristic**

The FEHA provides that employers cannot discriminate against or harass employees based on protected characteristics, including but not limited to religion and disability. In the event employers implement a mandatory vaccination policy or practice, such policy or practice cannot operate to discriminate against or harass employees based on protected characteristics.

### **(2) Employers Must Reasonably Accommodate Employees With Disabilities**

Employers are required under the FEHA to reasonably accommodate employees’ known disabilities. Therefore, if an employee objects to the vaccination on the basis that he or she has a disability that prevents them from being vaccinated, the employer is required to engage in an interactive process with the employee and reasonably accommodate that employee. Reasonable accommodations may include the employee working from home, or the employer implementing safeguards at the worksite to enable the employee to work without endangering the employee or others.

If the accommodation imposes an undue hardship, if the employee cannot perform his or her essential duties even with the reasonable accommodation, or if the employee cannot perform his or her essential duties without endangering the health or safety of the employee or others even with the reasonable accommodation, then the employer may exclude the employee from the worksite.

### **(3) Employers Must Reasonably Accommodate Employees With Sincerely-Held Religious Beliefs or Practices**

The FEHA also requires that employers reasonably accommodate employees' known sincerely-held religious beliefs and practices. Therefore, if an employee objects to the vaccination on the basis that he or she has a sincerely-held religious belief or practice that prevents them from being vaccinated, the employer is required to engage in an interactive process with the employee and reasonably accommodate that employee. Reasonable accommodations in the religious context may eliminate the conflict between the religious belief or practice and the vaccination requirement. The DFEH indicates that these reasonable accommodations could include job restructuring or job reassignment.

The DFEH also notes that, unless specifically requested by the employee, accommodations related to sincerely-held religious beliefs or practices are not considered "reasonable" if they segregate the employee from other employees or the public. And, similar to responding to a disability, if the accommodation imposes an undue hardship on the employer, the employer may exclude the employee from the worksite.

#### **(4) Employers Must Not Retaliate Against Employees for Engaging in Protected Activity**

If an employee requests a reasonable accommodation due to a disability or sincerely-held religious belief or practice, the employer cannot retaliate against them. Similarly, if an employee engages in other protected activity, for example, if the employee alleges that the employer's mandatory vaccination policy is discriminatory, the employer cannot retaliate against them. Retaliation is a form of adverse employment action, and may include discipline.

#### **(5) If an Employee Resists Mandatory Vaccination Absent a Disability or Sincerely-Held Religious Belief or Practice, No Reasonable Accommodation Is Necessary**

An employer is not required to reasonably accommodate an employee who simply does not want to receive an FDA-approved vaccination that is mandated by an employer, absent a disability reason or sincerely-held religious belief or practice reason.

The DFEH also notes that employers are permitted to enforce reasonable disciplinary policies and practices if employees resist the vaccination for reasons unrelated to disability and sincerely-held religious beliefs and practices; however, as noted above, an employer cannot discipline an employee for engaging in protected activity.

#### **(6) The Type of Medical Information That Can Be Elicited From Employees Will Depend on Whether the Employer Is Administering the Mandatory Vaccination Program**

The DFEH indicates that employers may generally ask an employee entering the worksite whether he or she is experiencing COVID-19 symptoms. In addition to this, if the employer is administering a mandatory vaccination program, the employer may ask an employee certain questions, including by way of a pre-vaccination screening

questionnaire, that could elicit information regarding a disability so long as the questions are “job-related” and “consistent with business necessity.”

The DFEH also notes that any retained records of vaccination must be maintained as confidential medical records by the employer.

### **(7) Employers May Require “Proof” of Vaccination if a Third Party Is Administering the Mandatory Vaccination Program**

According to the DFEH, asking employees for proof of the mandatory vaccination is not a disability-related inquiry, a religious belief or practice-related inquiry, or a medical examination. That said, because the proof of vaccination could include disability-related medical information, employers should instruct employees to omit that information. And again, any record of vaccination must be maintained as a confidential medical record by the employer.

#### **Employer Takeaways**

- The DFEH indicates that it is not commenting on whether, or to what extent, employers *should* mandate that employees get vaccinated. Its guidance just addresses how to comply with the FEHA in the event employers mandate vaccination.
- Employers should consult with legal counsel in the event they wish to put a mandatory vaccination policy or practice in place.
- Whether a reasonable accommodation exists for employees with disabilities and/or sincerely-held religious beliefs or practices is a highly fact-specific inquiry that should be discussed with legal counsel.
- Keep in mind that “undue hardship” is difficult to demonstrate; therefore, employers should consult with legal counsel in the event they believe there is undue hardship and wish to deny a reasonable accommodation.
- If employers want to administer the mandatory vaccination program themselves, they should consult with legal counsel to discuss, among other things, what medical information can safely be obtained from employees.

The legal landscape continues to evolve quickly and there is a lack of clear-cut authority or bright line rules on implementation. This article is not intended to be an unequivocal, one-size fits all guidance, but instead represents our interpretation of where applicable law currently and generally stands. This article does not address the potential impacts of the numerous other local, state and federal orders that have been issued in response to the COVID-19 pandemic, including, without limitation, potential liability should an employee become ill, requirements regarding family leave, sick pay and other issues.

## **LEGAL DEVELOPMENTS**

### **Caesars Sues Insurance Carriers For More Than \$2B**

Caesars Entertainment Inc. sued a group of insurance carriers, accusing them of declining to cover an estimated loss of more than \$2 billion because of the Covid-19 pandemic. The casino and hotel company alleges in the lawsuit that it had purchased property insurance coverage to protect against “all risk of physical loss or damage” and resulting business interruption. The company said it has paid more than \$25 million in premiums to secure the all-risk policy portfolio providing more than \$3.4 billion in coverage limits. The lawsuit says the insurance was meant to cover any physical losses, damage, or interruption to business.

### **NBA Team Sues FM Global For COVID-19 Coverage**

The Sacramento Kings basketball team and its venue are among organizations suing FM Global seeking coverage for revenue lost during COVID-19-related lockdowns over the past year under an all-risk policy from the insurer. Plaintiff Sacramento Downtown Area, which owns the Sacramento King’s stadium, had purchased the policy, which has maximum coverage of \$850 million per occurrence, from FM Global, according to the suit. In addition to team owners Sacramento Kings Limited Partnership and the stadium operator, other plaintiffs are the owner of the Kimpton Sawyer Hotel, Sac MUB1 Hotel LLC, and SGD Retail LLC, the owner of the Sacramento Downtown Commons retail spaces. The lawsuit seeks a declaration that the organizations are owed coverage and charges breach of contract and breach of the implied covenant of good faith and fair dealing. It also seeks punitive damages and attorneys’ fees, among other things.

### **San Francisco Asks Judge To Force Its Schools To Reopen**

Lawyers for the city of San Francisco and its school district battled in court over what state lawmakers intended when they required schools to offer in-person instruction. The city wants an emergency court order requiring the district to offer in-person instruction to all students by the end of April with public health precautions, such as masking and physical distancing, in place.

## **WHAT WE’RE READING**

### **LA's Second COVID-19 Renters Relief Program To Open For Applications March 30**

The City Council voted unanimously on March 2 to approve using federal and state government funding for the second round of the city's rent relief program, which will

help about 64,000 families with rental assistance, with \$235 million earmarked for direct rental assistance and \$3 million for eviction defense.

The first round of assistance provided 49,133 rent subsidies totaling \$98.26 million, to help households that could not pay their rents due to the COVID-19 pandemic. The second round will focus on paying off households' past rent, with a maximum grant of \$10,000. To read the full story, click [here](#).

### **CalChamber Releases 2021 Job Killer List**

The California Chamber of Commerce today released its annual job killer list, which includes 18 bills that would place California employers and the state's economy in harm's way should they become law. Of particular concern, according to CalChamber, are proposed labor and employment mandates which would hit small business employers especially hard as they attempt to recover from losses experienced due to pandemic-related shutdowns. "Many of these bills—particularly the labor and employment ones—seem to be solutions in search of a problem," said CalChamber President and CEO Allan Zaremborg. Zaremborg also questioned why the Legislature is not working on ways to reduce costs on businesses struggling due to the pandemic. "Are policy makers unaware that unemployment filings increased last month? California employers cannot be the safety net for struggling workers. The billions of dollars coming to the state from the American Rescue Plan should be used to provide the safety net for struggling workers and help get businesses back up and running," Zaremborg concluded. The 2021 CalChamber Job Killer List includes the following bills: To read the full story, click [here](#).

### **Do the Business Liability Shield Laws Give Employers Immunity From COVID-19 Lawsuits**

Not really. Like the COVID-19 vaccines, these "business liability shields" may provide a layer of protection for some employers, but they in no way guarantee immunity from lawsuits. Since early last year, business leaders expressed concerns about continuing with operations amidst the COVID-19 pandemic—mainly because they feared exposing their businesses to lawsuits arising from the transmission of the virus. Indeed, it was this growing business concern that caused Congress to propose the SAFE TO WORK Act (S. 4327) in July 2020. Although the bill ultimately did not pass, many states (30 and counting) have enacted some form of legal protections from COVID-19 liability claims through either legislation or executive orders. To read the full story, click [here](#).

### **LA County Businesses Get 'Breathing Room' As Public Health Told To Ease Up On Coronavirus Citations**

The Los Angeles County Board of Supervisors on Tuesday, March 16, approved changes in how Public Health inspectors cite businesses that violate COVID-19-era rules, hoping

to ease up on health order enforcement protocol as businesses are beginning to reopen indoors. In a unanimous vote, the board required inspectors from the county's Environmental Health Enforcement teams to refrain from citing businesses over the county's COVID-19 health order with monetary fines on their first visit, and only enforce on the most severe violations — a contrast to the approach taken since last fall. To read the full story, click [here](#).

### **Ventura County Votes To Drop Lawsuits Against 5 Businesses For Staying Open Despite Health Orders**

The Ventura County Board of Supervisors [voted unanimously](#) in favor of dismissing five lawsuits against local businesses that refused to comply with COVID-19 health orders. In a joint statement on behalf of the Board of Supervisors, Chair Linda Parks stated, "The lawsuits were never meant to be punitive but rather to gain compliance with Public Health Orders. This act of good will is in concert with the loosening of indoor restrictions accompanying the county's move into the red tier. We extend our deep appreciation and thanks to all businesses that have worked so hard and continue to work hard to keep their employees and customers safe from COVID by following public health guidelines. To read the full story, click [here](#).

### **Few In Southern California Prosecuted For Refusing To Comply With Coronavirus Laws**

Outdoor dining at Tinhorn Flats Saloon & Grill in Burbank was bustling when Los Angeles County health inspectors visited on December 13, with 20-plus customers eating and drinking, court documents show. But even outdoor dining had been banned in the county by then. Through January, health inspectors visited and cited the Western-themed bar that serves up burgers 28 times. To read the full story, click [here](#).

### **90% Of California Can Dine Indoors, Go To Movies, Hit A Gym**

California has been on a reopening roll since a deadly winter surge that saw skyrocketing hospitalizations and soaring positivity rates. San Diego and Sacramento were among the counties moving out of the most restrictive purple tier, public health officials announced Tuesday. San Mateo County also became the first county in the San Francisco Bay Area allowing businesses there to open even more, including indoor bowling alleys and outdoor bars that do not serve meals. Businesses can reopen Wednesday, one year to the day after San Francisco Bay Area health officers implemented a regional stay at home order, the first in the US... In total, 42 counties of 58 are in the "substantial" red risk level. The 11 counties still in the most restricted tier are largely in the central valley, including Fresno and Kern. To read the full story, click [here](#).

### **Astrazeneca: US Data Shows Vaccine Effective For All Adults**

AstraZeneca's COVID-19 vaccine provided strong protection against sickness and eliminated hospitalizations and deaths from the disease, including in older adults, in final-stage US testing, the company announced Monday. AstraZeneca said its experts did not identify any safety concerns related to the vaccine, including finding no increased risk of [rare blood clots identified in Europe](#). The question now is whether the findings will help rebuild public confidence in the vaccine around the world, as the company seeks to win clearance in the United States. To read the full story, click [here](#).

### **A Rapid COVID-19 Vaccine Rollout Backfired In Some US States**

Despite the clamor to speed up the US vaccination drive against COVID-19 and get the country back to normal, the first three months of the rollout suggest faster is not necessarily better. A surprising new analysis found that states such as South Carolina and Florida that raced ahead of others to offer the vaccine to ever-larger groups of people have vaccinated smaller shares of their population than those that moved more slowly and methodically, such as Hawaii and Connecticut. To read the full story, click [here](#).

### **SF Expected To Move To Orange Tier 4 But Will 'Probably' Be Stricter Than State Guidelines, Breed Says**

San Francisco is expected to return to the state's orange reopening tier on March 24, but Mayor London Breed said Tuesday that the city will probably adopt some restrictions that are stricter than what state guidelines allow. It wasn't immediately clear how the city planned to be stricter than the state's orange tier guidelines, which allow breweries to open indoors at 25% capacity, music and sports venues to open outdoors at 20% capacity and bars that don't serve food to operate outdoors. The city is holding a webinar on Thursday on the guidelines. To read the full story, click [here](#).

### **Fewer Jobs, More Wine: California's Deadly COVID Year In 9 Charts**

All of these changes have left a data trail. In highway crash statistics, unemployment claims, anti-Newsom lawsuits and florist sales, the numbers present a "before" and "after" picture of these last surreal, lonely, heartrending, life-ending and life-altering 365 days. To read the full story, click [here](#).

### **Vaccine Update: California Supply Increases, But Is Still Well Below Provider Capacity**

Weekly allocation data released Tuesday by the CDC showed California is slated to receive about 1.77 million doses next week: 524,000 first doses and 439,000 second doses from Pfizer; 380,000 first doses and the same number of second doses from Moderna and 44,000 of the single-dose Johnson & Johnson shot. California's weekly federal allocation of the vaccine is growing slower than expected at the moment because a manufacturing issue has reportedly hampered nationwide distribution of the

J&J single-dose vaccine. With only 44,000 J&J shots coming to California this week and next, some local health providers across the state have reported that they expect no more J&J until the last week of March. The chief executive of Blue Shield, the state's third-party administrator for the vaccine campaign, said on a call last week with reporters that the state expects weekly supply to grow from its current rate to 2.5 million in April. To read the full story, click [here](#).

### **How The Pandemic Changed Higher Education In California**

The most significant change has been to instruction and learning, with the vast majority of students and faculty in online classes. But there have been other changes, such as an intense focus on mental health and campuses becoming more flexible with how they operate. "Higher education isn't actually known for being nimble," said Lande Ajose, senior policy adviser for higher education to Gov. Gavin Newsom. "But to take a system, or a set of systems or institutions, where you have an excess of 3 million students and say in the course of two to three weeks, we'll move students to distance learning is enormous." To read the full story, click [here](#).

### **US. To Give \$10 Billion To Schools For Covid-19 Testing**

The US government plans to invest \$10 billion in Covid-19 screening for schools, its latest step to increase testing nationwide and encourage schools to reopen for in-person learning. The funding, which the Biden administration announced Wednesday, comes from the recently enacted stimulus package. ... HHS said the CDC will release updated testing guidance that will include recommendations for screening people who don't show Covid-19 symptoms but may be contagious, a key source of the disease's spread. To read the full story, click [here](#).

### **Massachusetts Joins A Growing Number Of States Rapidly Expanding Vaccine Eligibility, Some Well Ahead Of Biden's May 1 Deadline**

States are also racing to stay ahead of the growing number of virus variants, some of which are more contagious and possibly even more deadly. At least three states — Maine, Virginia and Wisconsin — and Washington, DC, have said that they will expand eligibility to their general population by May 1, the deadline that Mr. Biden set last week. Other states — including Colorado, Connecticut, Ohio, Massachusetts, Michigan, Montana and Utah — hope to do so this month or next. In Mississippi and Alaska, everyone age 16 or older are eligible, and Arizona and Michigan have made the vaccines available to all adults in some counties. To read the full story, click [here](#).

### **California Labor Secretary Grilled Over Unemployment Fraud. Some Don't Like Her Answers**

Julie Su — and for that matter, California’s embattled unemployment system — were sharply criticized by Senate Republicans Tuesday who wanted answers as to how the state dealt with billions of dollars in widespread fraud. The Republicans weren’t satisfied with the answers. “I was surprised not to get a legitimate answer to very direct questions,” said Sen. Susan Collins, R-Maine, the Senate’s most centrist Republican. President Joe Biden has nominated Su as deputy labor secretary, a longtime advocate for worker rights with strong support from the AFL-CIO — and strong opposition from some business groups. She is currently the state’s Secretary of Labor and Workforce Development, which oversees California’s unemployment insurance system. To read the full story, click [here](#).

### **Those Few Extra Pounds May Make You Eligible for the COVID-19 Vaccine in San Diego County**

California opened the coronavirus vaccine to those with high-risk medical conditions, including those who are overweight. But San Diego County's definition of overweight is far looser than the state's, casting a wider net for eligible San Diegans. The Centers for Disease Control and Prevention says people who are overweight have an increased risk when it comes to COVID-19 and that those groups should be prioritized when it comes to the coronavirus vaccine. That's why California on Monday opened up vaccine eligibility to those with severe obesity: those with a BMI of 40 kg/m<sup>2</sup> or higher. In San Diego, though, that threshold is much lower at 25 kg/m<sup>2</sup>. To read the full story, click [here](#).

### **Report Shows California Lagging Most States In Vaccination Equity**

California ranks among the five worst states in getting its poorest and most vulnerable residents vaccinated against the coronavirus, according to a report released Wednesday by the U.S. Centers for Disease Control and Prevention. California is one of 31 states falling short on equitable vaccine coverage, according to the CDC’s Morbidity and Mortality Weekly Report, which analyzed vaccines administered during the first two-and-a-half months of the US vaccination campaign, from December 14 to March 1. It is the first report using national vaccination surveillance data focused on social vulnerability to look at equity, said the report’s lead author, CDC epidemiologist Michelle Hughes. To read the full story, click [here](#).

### **Coronavirus Strains From California And The UK. In Battle For US Dominance**

New data from the Centers for Disease Control and Prevention indicate that the California strain accounted for 13% of all coronavirus samples that were genetically sequenced as part of a new federal program in late February. An additional 7% of the samples were the strain from the UK. Both versions of the virus have scientists and health officials on edge because they spread more readily than their predecessors and

seem to be less vulnerable to some of the medicines used to treat COVID-19. The California strain has also shown signs of resistance to the current crop of COVID-19 vaccines. To read the full story, click [here](#).

### **Schools Chief Uses Influence To Shape Policy During Pandemic, But Lacks Power To Make Big Decisions**

As administrator of the 2,500-employee California Department of Education, the state superintendent lacks the authority to set education policy and to make local decisions like whether school campuses should be open or closed. ... The power of the superintendent was trimmed in the early 1990s when then-Gov. Pete Wilson, a Republican, took then-State Superintendent of Public Instruction Bill Honig, a Democrat, to court. The State Board of Education, which is appointed by the governor, has more policymaking powers than the superintendent, who sits on the board as a non-voting member. To read the full story, click [here](#).

### **Federal Covid-19 Aid Aims to Help Cities, States Avoid Cutting Jobs and Services**

As part of the package enacted last week, cities, counties and states will get \$350 billion to distribute vaccines and cover other pandemic-related costs and to invest in infrastructure, such as expanded broadband access. Administration officials have said the money will help avoid the same outcome as the previous recession, when years of budget shortfalls forced local governments to cut spending, curtail services and lay off workers, all of which weighed on the recovery. The failure to send enough aid to state and local governments “was a profound error,” Treasury Secretary Janet Yellen said in speech to the National League of Cities last week. Even after the recession ended in 2009, state and local government spending cuts were a drag on the economy for four years, and it took until August 2019 to recover all the jobs lost, according to government data. To read the full story, click [here](#).

### **PPP Updates: Calculation of the Loan Amount and Use of Loan Proceeds for Individuals Who File IRS Form 1040, Schedule C and Revisions to Eligibility Rules**

On March 3, 2021, the Small Business Administration (SBA), in conjunction with the US Department of the Treasury, adopted an interim final rule (IFR) that: (1) allows individuals who file an IRS Form 1040, Schedule C to calculate their maximum loan amount using gross income; (2) eliminates the eligibility restriction that prohibits businesses with owners who have non-financial fraud felony convictions in the last year from obtaining Paycheck Protection Program (PPP) loans; and (3) removes the eligibility restriction that prevents businesses with owners who are delinquent or in default on their federal student loans from obtaining PPP loans. To read the full story, click [here](#).

### **Newsom Admits Mistakes In 1st Reopening**

California Gov. Gavin Newsom acknowledged mistakes in communicating with the public last year before the first loosening of coronavirus restrictions led to an early summer spike in cases, a harsh lesson “that we reflect upon all the time” as the nation’s most populous state again embarks on a broad reopening. The Democratic governor also said he expects to soon expand the list of people eligible for vaccinations and asserted he was right to call the organizers of a recall effort against him partisan extremists. Newsom spoke to The Associated Press on Thursday, a day before the one-year anniversary of his first-in-the-nation stay-at-home order that required California’s nearly 40 million people to lock down except for essential work. The state has recorded more than 3.5 million virus cases and nearly 56,000 deaths, both the largest totals in the country. To read the full story, click [here](#).

### **Grocery Workers Aren’t The Only Ones Pushing For COVID Hazard Pay In California. What’s Next?**

Grocery employees in dozens of cities from San Francisco to Santa Ana have successfully lobbied their council members to pass ordinances requiring employers to temporarily give hazard or “hero” pay, typically \$3 to \$5 an hour. Both proponents and opponents of the hazard pay movement expect more cities to adopt the policy. Similar ordinances may soon come up to a vote in cities from Fresno to Pasadena. The movement is growing, labor leaders said, covering more workers affected by the pandemic. Coachella has already passed an ordinance giving hazard pay to farmworkers, the first in the nation to do so. ... Healthcare workers are also pushing for extra pay, through a bill introduced by Assemblyman Al Muratsuchi, D-Torrance. Assembly Bill 650 would require private health care companies to provide a \$10,000 bonus to a non-executive employee who is working during the pandemic and staying in the industry through 2022. Part-time employees would get up to \$6,000. To read the full story, click [here](#).

### **US Rushes to Expand Covid Vaccine Eligibility in a ‘Race Against Time’**

In Ohio, all adults will be allowed to seek shots starting March 29. In Connecticut, April 5. In Alaska and Mississippi, all adults are already able to book appointments. And on Thursday, officials in Illinois, Kentucky, Rhode Island, Maryland and Missouri said that all adults would be allowed in April to sign up for a shot, while Gov. Spencer Cox of Utah said universal eligibility would begin there next week. But even as the pace of vaccinations has accelerated to about 2.5 million shots each day nationwide, the country finds itself at a precarious point in the pandemic. Cases, deaths and hospitalizations have all fallen sharply from January peaks, yet infection levels have plateaued this month, at about 55,000 new cases a day. While governors relax restrictions on businesses like bars, indoor gyms and casinos, highly infectious variants

are spreading and some states, especially on the East Coast, have struggled for weeks to make any progress in reducing cases. To read the full story, click [here](#).

### **IRS Extension Leaves Other Headaches To Solve**

The IRS has extended the tax filing season by a month, but that decision didn't resolve every challenge taxpayers and the agency are facing. The agency announced Wednesday that the deadline for individuals to file their 2020 federal tax returns is now May 17 instead of April 15. That announcement came after lawmakers and tax preparers pushed for an extension in light of the logistical challenges of filing taxes during the pandemic and questions taxpayers have about provisions in various coronavirus relief laws. To read the full story, click [here](#).

### **CDC Report: Disparities In COVID-19 Vaccinations Seen In 'Majority' Of States, Mostly In Vulnerable Counties**

A majority of states are experiencing disparities in getting the COVID-19 vaccine to vulnerable communities, a report from the Centers for Disease Control and Prevention shows. To read the full story, click [here](#). The CDC used a Social Vulnerability Index (SVI) to rank counties based on a combination of certain factors: a high percentage of racial or ethnic minorities, seniors, single-parent households, people living below poverty, mobile homes residents, people with disabilities, or those without a car, among other characteristics. To read the full story, click [here](#).

### **Blue Shield Spent Years Cultivating a Relationship with Newsom. It Got the State Vaccine Contract**

Over the next 16 years, as Newsom's political career flourished, the health insurance behemoth became one of his most generous and trusted supporters. It contributed nearly \$23 million to Newsom's campaigns and special causes, according to a California Healthline analysis of political and charitable contributions. Of that, nearly 90% has funded the homelessness initiatives that critics and allies say are dearest to Newsom's heart. Newsom, elected governor in 2018, in turn has rewarded Blue Shield and its executives with positions of power during the coronavirus pandemic, which has claimed nearly 56,000 Californians' lives. To read the full story, click [here](#).

### **Recast As 'Stimmies,' Federal Relief Checks Drive A Stock Buying Spree**

Analysts at Deutsche Bank recently estimated that as much as \$170 billion from the latest round of stimulus payments could flow into the stock market. They conducted a survey of retail traders in which respondents said they planned to put roughly 40 percent of any payment they received — or \$2 of every \$5 — into the stock market. Traders between the ages of 25 and 34 said they expected to put half of their stimulus check into stocks. To read the full story, click [here](#).

### **Should I Travel? Expert Advice On What To Consider**

An already powerful pent-up desire to travel has only intensified with global weariness of pandemic restrictions and the rollout of vaccines in some countries. And the summer [travel](#) season is fast approaching in the Northern Hemisphere. In the United States, many people -- as seen in the crowds of spring break revelers in Florida and the latest passenger tallies at airport security checkpoints -- are already on the move, whether they're vaccinated or not. To read the full story, click [here](#).

### **California Community Colleges To Offer Limited Expansion Of Fall In-Person Classes, Chancellor Says**

After a year in which they operated almost entirely online, California's community colleges are likely to offer more in-person instruction and activities this fall, while many classes will still be offered remotely. That is the message that Eloy Ortiz Oakley, the chancellor of the state's 116 community college system, delivered to its Board of Governors at its meeting Monday. The colleges together serve over 2 million full- or part-time students, making it by far the largest higher education system in the United States. To read the full story, click [here](#).

### **Germany Introduces A Strict Five-Day Lockdown Over Easter, And Asks Citizens To Stay Home**

Starting April 1, and until the following Monday, Germany will effectively shut down for an extended Easter break, with private meetings limited to no more than two groups of up to five adults and almost all stores ordered shuttered (supermarkets can open on the Saturday). Churches are asked to hold services online, and people are being asked to stay home and not travel. 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 note the email addresses to be removed.

### **Previous 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.