

Weekly COVID-19 Update From EKA

May 19, 2021

Employee Retention Credit

Businesses may be eligible for 2021 employee retention tax credits of up to \$7,000 per quarter and up to \$28,000 annually per employee. These credits deliver cash flow as soon as they are claimed. Businesses can file for this credit every quarter of 2021 on the form 941 filing and may also receive an advance payment of a portion of the credit.

Get paid back for keeping employees on the payroll if your business:

- Has 500 or fewer employees;
- Was at least partly closed due to a government order OR the business's revenue declined by 20% or more for any quarter this year; AND
- You kept employees on the payroll;
- You may be eligible for 2021 employee retention tax credits of up to \$28,000 per employee. And the longer you keep your employees on payroll, the more benefits you are eligible to receive.
- For 2021, the employee retention credit (ERC) is a quarterly tax credit against the employer's share of certain payroll taxes. The tax credit is 70% of the first
- \$10,000 in wages per employee in each quarter of 2021. That means this credit is worth up to \$7,000 per quarter and up to \$28,000 per year, for each employee. If the amount of the tax credit for an employer is more than the amount of the employer's share of those payroll taxes owed for a given quarter, the excess is refunded – paid directly to them

To see whether your business is eligible for the ERC for a given quarter, start by determining whether:

(1) your business was fully or partially shut down due to a governmental order during any part of the quarter, or (2) the business's gross receipts in a quarter declined more than 20% compared to either (a) the same quarter in 2019 or (b) the immediately preceding quarter in 2020 or 2021. If the answer to either question is YES, and the business had 500 or fewer employees, then any wages paid in the quarter may count towards the \$10,000 per employee amount.

Businesses that received PPP loans in 2020 or 2021 can still claim the ERC. While wages used to apply for PPP loan forgiveness cannot also be claimed as ERC wages, remaining wages may be eligible for the credit. The ERC is also available for the last two quarters

of 2021 for certain small businesses that opened after February 15, 2020. These businesses, if they have less than \$1 million in annual gross receipts, may claim ERCs of up to \$50,000 per quarter, even if the businesses have not been shut down or experienced declines in revenue. For more information, click [here](#).

VACCINATION

More than 15.5 million Californians have been fully vaccinated, roughly half of those eligible for the shot and about 39% of the state's total population, according to the [state's COVID-19 dashboard](#). Another 4.7 million are partially vaccinated. The state is still on track to [drop its color-tier system](#) and many of the pandemic restrictions that come with it on June 15,

Pfizer Vaccine Now Authorized for 12 to 15-year-olds

The [Centers for Disease Control and Prevention \(CDC\) affirmed the recommendation](#) by the US Food & Drug Administration (FDA) to expand the emergency use authorization for the Pfizer COVID-19 vaccine for adolescents 12 to 15 years of age. Los Angeles County vaccination providers have begun offering the Pfizer vaccine for 12 to 15-year-olds at vaccination sites that offer the Pfizer vaccine. All eight county-run sites can vaccinate children 12-17; teens should be accompanied by a parent, guardian or responsible adult and present a photo ID and verification of age. [View a full list of sites across the county that offer Pfizer vaccines](#). To schedule an appointment, visit the [Vaccinate LA County website](#) beginning this evening; walk-ins are welcome at all eight county-run sites. Parents or teens with questions about the vaccine should contact their healthcare provider or [visit the Public Health website](#) for more information on vaccine safety and efficacy.

Two-thirds of Californians are immune to COVID

According to new data, more than two-thirds of Californians have antibodies to the COVID-19 virus, offering evidence that we're approaching so-called "herd immunity" — the pandemic's endgame. In just one month, the percentage of protected Golden State residents has soared from 47% to 67%, and is likely higher now, according to an analysis presented by state epidemiologist Dr. Erica Pan this past week. While some of that protection is attributable to past infections, the recent jump between March and April suggests that the state's expanded vaccination campaign deserves the most credit. ... But with variations across the state — 48% in the far northern region, 68.7% in the Bay Area and 76% along the southern border — there remain geographic differences in risk for those who are still unvaccinated. It now appears that parts of the state are edging towards herd immunity with very low levels of viral transmission in some communities, according to UCSF epidemiologist Dr. George Rutherford.

REOPENING

No More Masks?

The Centers for Disease Control and Prevention eased indoor mask-wearing guidance for fully vaccinated people, allowing them to safely stop wearing masks inside in most places. The new guidance still calls for wearing masks in crowded indoor settings. The CDC no longer recommends that fully vaccinated people wear masks outdoors in crowds.

California Will Stay Masked For Another Month

California won't lift its mask requirement until June 15 to give the public and businesses time to prepare and ensure coronavirus cases stay low. That runs counter to many other states, including Oregon and Washington that quickly aligned with last week's new federal guidelines. "This four-week period will give Californians time to prepare for this change, while we continue the relentless focus on delivering vaccines particularly to underserved communities and those that were hard hit throughout this pandemic," Health and Human Services Secretary Dr. Mark Ghaly said.

The [LA County Health Officer Order](#) remains in effect across LA County, and masks are still required in settings as described in the orders and protocols, posted here: <http://publichealth.lacounty.gov/media/Coronavirus/reopening-la.htm#orders>.

Masks are still required *for everyone at:*

- Large events, public transportation, retail, and business establishments.
- Workplaces (under Cal/OSHA masking and distancing requirements)

Masks are still required *for all unvaccinated people:*

- Outdoors anytime distancing cannot be maintained

Masks are *still not required for fully vaccinated people:*

- Outdoors unless attending crowded events
- Indoor and outdoor visits with other fully vaccinated people and with unvaccinated people from one household without high risk people

California Nurses Union Urges State To Reject CDC Guidance On Easing Mask Mandate

The largest union of registered nurses in California asked state officials not to follow new guidance from the Centers for Disease and Control and Prevention on lifting mask mandates for people fully vaccinated against COVID-19, union officials said Sunday. The

California Nurses Association, an affiliate of the nation's largest union of registered nurses, condemned the CDC's guidance, calling it "a big blow to the safety and welfare of the nurses, front line workers, as well as the patients," CNA president Zenei Triunfo-Cortez said.

Health Order For Residential And Commercial Real Estate

The [Health Officer Order](#) has been revised to correct an error in the guidance for professional services, including residential and commercial real estate (see page 19). Recent changes are highlighted in yellow and clarifies the following: Professional services businesses, including residential and commercial real estate, should operate in compliance with [Appendix A: Social Distancing](#). This Health Officer Order and other pertinent information and resources can be found on the Los Angeles County Department of Public Health [COVID-19 webpage](#).

LOS ANGELES COUNTY/CITY

Guidance For Informal Social Gatherings

The [Guidance for Informal Social Gatherings: Appendix CC](#) has been updated. Effective as of Tuesday, May 11, 2021, recent updates are highlighted in yellow: Updated the Fully Vaccinated People section and added additional clarifying language. This guidance and other pertinent information and resources can be found on the Los Angeles County Department of Public Health [COVID-19 webpage](#)

LA City Council Votes To Make Outdoor Dining Program Permanent

The Los Angeles City Council voted to begin steps to make its COVID-19 alfresco outdoor dining program permanent. The program, which began in May 2020 to help restaurants safely serve guests during the COVID-19 pandemic, streamlines requirements and approvals across multiple city departments for outdoor dining on sidewalks, parking lots and streets. On Wednesday, the City Council voted to have reports created on the possibility of making the program permanent while following Americans with Disabilities Act regulations. There were 14 yes votes and one absent.

SACRAMENTO

Cal/OSHA Considering Changes to COVID-19 Emergency Temporary Standard

Tomorrow, an [agenda item](#) shows that the California Occupational Safety & Health Standards Board (OSHSB) will [consider changes to the COVID-19 Emergency Temporary Standard](#) (ETS) Rules. These potential changes are broad-ranging and affect employers' requirements related to masking, social distancing, testing, exclusion, and more, especially with respect to vaccinated and unvaccinated employees.

NATIONAL

New Round Of Economic Injury Disaster Loan

The SBA is launching a new round of Economic Injury Disaster Loan (EIDL) Advances - called the Targeted EIDL Advance and Supplemental Targeted Advance. The Targeted EIDL Advance provides eligible businesses with \$10,000 in total grant assistance. If you received the EIDL Advance last year in an amount less than \$10,000, you may be eligible to receive the difference up to the full \$10,000. The combined amount of the Targeted EIDL Advance and any previously received Advance will not exceed \$10,000.

The Supplemental Targeted Advance provides the smallest and hardest hit eligible businesses with a supplemental payment of \$5,000. Even if you have previously received the original EIDL Advance in the full amount of \$10,000, you may be eligible for the Supplemental Targeted Advance if you meet eligibility criteria. The combined amount of the Supplemental Targeted Advance (\$5,000) with any previously received EIDL Advance or Targeted EIDL Advance (\$10,000) will not exceed \$15,000.

Important: Please review the eligibility criteria and application instructions below carefully before you proceed to the application portal for the Targeted Advance. The eligibility criteria for the Targeted EIDL Advance and the Supplemental Targeted Advance are slightly different.

Businesses eligible for the **Targeted EIDL Advance** must meet ALL the following eligibility criteria

- Located in a low-income community, as defined in section 45D(e) of the Internal Revenue Code. The SBA will map your business address to determine if you are in a low-income community when you submit your Targeted EIDL Advance application.
- Suffered economic loss greater than 30 percent, as demonstrated by an 8-week period beginning on March 2, 2020, or later, compared to the previous year. You will be required to provide the total amount of monthly gross receipts from January 2019 to the current month-to-date.
- Must have 300 or fewer employees. Business entities normally eligible for the EIDL program are eligible, including sole proprietors, independent contractors, and private, nonprofit organizations. However, agricultural enterprises, such as farmers and ranchers, are not eligible to receive the Targeted EIDL Advance or the Supplemental Targeted Advance.

Businesses eligible for the Supplemental Targeted Advance of \$5,000 must also meet ALL the following eligibility criteria:

- Located in a low-income community, as defined in section 45D(e) of the Internal Revenue Code. The SBA will map your business address to determine if you are in a low-income community when you submit your Targeted EIDL Advance application.
- Suffered economic loss greater than 50 percent, as demonstrated by an 8-week period beginning on March 2, 2020, or later, compared to the previous year. You will be required to provide the total amount of monthly gross receipts from January 2019 to the current month-to-date.
- Must have 10 or fewer employees. Business entities normally eligible for the EIDL program are eligible, including sole proprietors, independent contractors, and private, nonprofit organizations. However, agricultural enterprises, such as farmers and ranchers, are not eligible to receive the Targeted EIDL Advance or the Supplemental Targeted Advance.

Before You Apply: To help applicants determine if they are located in a low-income community, as defined in section 45D(e) of the Internal Revenue Code, the SBA is making available a mapping tool [here](#). Note that the business address must be **located** in a low-income community to qualify for the Supplemental Targeted Advance. You are encouraged to check the map to see if your business address meets the low-income community eligibility requirement before you apply.

What You Will Need: To assist you in completing the Targeted Advance questions, we recommend that you have available a copy of your 2019 Federal Tax Return and the business' monthly gross receipts for each month from January 2019 through the most recent month-to-date period. The information you provide will be used to determine if your business meets the economic loss requirements above. You will also be asked to confirm that the information provided in your original EIDL application is still accurate. If there are any changes, you may be asked to provide documentation to determine if you are eligible for the Targeted EIDL Advance and/or the Supplemental Targeted Advance. Applicants that pass the initial eligibility requirements will also be required to electronically sign an IRS Form 4506-T allowing the SBA to obtain tax transcripts directly from the IRS before we can approve your request.

The SBA's goal is to process all requests within 21 days of receiving a completed application. All application decisions will be communicated via email. If your request is approved, you will receive an email notification and an ACH deposit to the bank account you provided in your application. It is very important that you double-check your bank account information carefully before submitting. Incorrect or incomplete information

may result in an inability to approve your request or successfully disburse your funds. Carefully review the information below regarding bank account deposits.

- Double check that your account number and routing number are correct. They should be located at the bottom of your checks, if available. Log into your online banking account and locate that information there or contact your bank for confirmation.
- Make sure that the routing number provided is usable for ACH payments. Many Advance applicants submitted routing numbers reserved for other types of payments which resulted in the inability to send them an Advance.
- Bank name should be the official name of the bank; please contact your bank if you are unsure.
- Ensure you provide a checking account to facilitate the ACH payment.
- Double check that your account is still open and able to receive payments.
- Before submitting, you must make sure that the bank account you are providing satisfies the following:
 - Account is opened using your business legal name matching the values entered in the business information section on your application. If you do not have a business legal name, the name on the account must match the business owner's name.
 - Account has your business address and phone number matching the values entered in the business information section on your application.
 - Account is opened using your business tax id (EIN or SSN if no EIN registered) matching the values entered in your initial application.
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- Common reasons why the account validation might fail would be the account holder name does not match the business name on the application, the business name changed since opening the account, using a personal account for business, account being in someone else's name such as a spouse or friend, or reusing a bank account for multiple businesses that do not match the business name on the application.
- If you do not have a bank account that satisfies the criteria above, there is a greater chance that the SBA will not be able to approve your Supplemental Targeted Advance.

EMPLOYER ISSUES

California's Paid Family Leave Program - What Employers Need to Know

The law firm Jackson Lewis PC wrote an article regarding the Biden administration's plans for a federal paid family leave program – something that has been available to California employees for over a decade. For ease of reference, the FAQ is copied here.

California's Paid Family Leave ("PFL") program, which is administered by the California Employment Development Department ("EDD"), provides eligible employees with [up to 8 weeks](#) of wage replacement benefits when an employee is off work for certain qualifying reasons.

PFL Benefits

The PFL program provides wage replacement benefits to eligible workers who take time off work to:

- Care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner.
- Bond with a new child entering the family by birth, adoption, or foster care placement.
- Participate in a qualifying event related to a family member's (spouse, registered domestic partner, parent, or child) military deployment to a foreign country.

The PFL program was [expanded](#) this year to allow employees to collect benefits when off work due to a "qualifying exigency" related to a family member's military service. The PFL program is funded by deductions from workers' paychecks and benefits are paid by the State, not by employers. Despite its name, PFL is not a leave law and does not grant employees the right to take leave or offer job protection; it only provides benefits when employees are off work for qualifying reasons.

Employer Requirements

Even though it is a state-administered program, California employers still have obligations to assist with the program.

Employers are required to inform employees of the PFL program by posting in the workplace the [Notice to Employees: Unemployment Insurance/Disability/Paid Family Leave \(DE 1857A\)](#). Employers must also provide the [Paid Family Leave Benefits \(DE2511\)](#) brochure to new hires and to employees who advise the employer they need time off to care for a seriously ill family member or bond with a child.

Employers must also make payroll withholdings and send contributions to the EDD; employers can find withholding schedules and additional information on the [EDD's website](#).

To receive PFL benefits, employees must make a claim with the EDD. When an employee files a claim for PFL, employers will receive a Notice of Paid Family Leave

Claim Filed (DE2503F) from the EDD. Employers must complete and return the form to the EDD within two working days to verify the information the employee provided on their claim.

[Employers with employees working in San Francisco](#) may be required to supplement the wages of employees who are receiving PFL benefits when off work to bond with a child.

Upcoming Revise to COVID-19 Emergency Rule a Mixed Bag for Employers

Robert Moutrie from CalChamber wrote a piece regarding a piece about what employers should consider given that the state is going to open next month. For ease of reference, the FAQ is copied here.

After months of waiting, California employers now know what the [next version](#) of Cal/OSHA's COVID-19 Emergency Temporary Standard (ETS) will look like. Building off of the present emergency regulation's text and the February advisory committee meetings, Cal/OSHA released its proposed new text for the ETS on May 7. The proposed text will be in front of the Cal/OSHA Standards Board for approval on May 20 for an up-or-down vote, then will go quickly to the Office of Administrative Law for their sign off, and will likely be in effect shortly thereafter. That leaves California employers less than a month to review the amendments and get their workplace practices ready for the new requirements.

What is different about this new COVID-19 ETS text?

Although much has stayed the same, there are some significant changes that employers should review with legal counsel. Most notably, vaccines and N95 respirators are going to play critical roles in compliance in the next few months. Employers with workforces that are largely vaccinated will see considerable easing in their physical distancing and engineering control requirements. This is particularly true for employers who fall under the transportation and housing sections of the regulation, such as agriculture, where vaccination will exempt employees from most requirements. For employees who are not vaccinated, employers will need to prepare to procure and provide N95 respirators to employees for voluntary use in certain circumstances.

July 31, 2021 is a date that employers should mark on their calendars. The ETS amendments provide that portions of the regulation will expire on that date — including those relating to some physical distancing requirements — but new obligations will also fall into place. For example, after July 31, employers will need to provide N95 respirators to all unvaccinated workers who work indoors *on a daily basis* — so start stockpiling now if you don't anticipate your workforce being vaccinated by then.

An area that employers were just starting to get their hands around — AB 685’s notice requirements — is also getting a significant change that will require clarification in future frequently asked questions (FAQs). Under the proposed text, where employers have reason to believe employees have “limited literacy” or did not receive the AB 685-required written notices, employers will have a new obligation to provide verbal notice “as soon as practicable.” What form that will take, the acceptable timeline, and what will be viewed as “limited literacy” are all somewhat unclear at this point.

We also see a host of clarifications and clean-up items that Cal/OSHA took from the advisory committee in February of this year. These include changes to various definitions, as well as clarifying that outbreaks *cannot* be triggered by nonemployees passing through the workplace.

Procedurally, what does this mean?

When the new ETS text is “re-adopted,” it will change the requirements for employers and also extend the duration of the COVID-19 emergency regulation. Generally, an emergency regulation lasts 180 days, then can be re-adopted twice per statute, with each re-adoption normally set for 90 days. However, per the Governor’s COVID-19 executive order on COVID-19, this re-adoption would last 210 days — meaning the COVID-19 ETS would continue in effect to the end of 2021, and another re-adoption would be possible at that point. To be clear, that doesn’t mean Cal/OSHA could not end the emergency regulation sooner, or that another extension is guaranteed in December — but those are the long-term possibilities.

The next change to watch for after the Standards Board votes on these amendments on May 20 is Cal/OSHA’s [Frequently Asked Questions \(FAQs\) page](#) for the COVID-19 ETS. Over the duration of the ETS, Cal/OSHA has updated the page with some frequency to address concerns, and we can expect Cal/OSHA to issue FAQs clarifying this new text shortly after the new text is adopted.

What about the other COVID-19 changes recently?

The proposed changes to the ETS largely mirror recent developments and guidance from other agencies and federal changes over the last few months. Most recently, the California Department of Public Health (CDPH) updated [its guidance](#) on May 3 to remove quarantine restrictions for fully vaccinated individuals who were exposed to COVID-19 but remain asymptomatic. Similarly, on May 5, the state Department of Industrial Relations (DIR) posted a parallel update to make clear that [employers can cease excluding vaccinated workers from the workplace if they are exposed but remain asymptomatic](#) pursuant to the Governor’s Executive Order even before the new ETS text goes into effect.

Overall — What is the takeaway?

Employers see a mixed bag in this new text. The inclusion of vaccination and the potential end to social distancing are both considerable improvements that will help California's workplaces begin to return to normal. Furthermore, the July 31 deadline gives some certainty to when workplaces will be able to transition out of the ETS's provisions. However, the new text also creates some new issues that will need to be addressed. For example — what are employers in California going to do if their workforces are hesitant to get vaccinated, but that personal choice creates much more costly obligations in the workplace?

LEGAL DEVELOPMENTS

Hotel Owner Asks 8th Circ. To Revive Virus Coverage Bid

Torgerson Properties Inc., or TPI, which owns 40 hotels, restaurants and event spaces in Minnesota and Florida, argued Tuesday that the orders barred access and use of the commercial spaces. If the losses were to personal property such as kitchen cookware being stolen, it would be easy to identify a physical loss, the hotel owner said. "But real property can't be stolen. TPI's insured hotels did not disappear; they were not misplaced," the owner said. "But when TPI was deprived of the ability to fully access that property and to use that property for its business operations, there was a physical loss of those properties just as surely as if they were stolen." The resulting business income losses were a "direct physical loss of or damage," Torgerson argued to the Eighth Circuit, which has already heard oral arguments in the first appellate hearing involving an Iowa dental clinic's bid to force its insurer to pay losses also caused by the pandemic closure orders. In February, US District Judge Paul A. Magnuson tossed Torgerson's suit, finding no physical loss caused by contamination covered by Continental. It wasn't the coronavirus at the premises that closed the properties, the judge said, but rather the stay-at-home orders meant to slow the spread of the virus. But Torgerson said in Tuesday's opening brief that Judge Magnuson got it wrong by ignoring the policy's distinction between "loss of" and "damage to" property and by ignoring the evidence given by the hotel and restaurant owner showing the coronavirus was actually present on its premises.

Landlord Group Sues San Diego County Over Ordinance That Halts Most Evictions During Pandemic

An association of rental owners sued San Diego County and its Board of Supervisors Thursday over an ordinance that temporarily restricts county landlords from evicting residents during the COVID-19 pandemic. The Southern California Rental Housing Association seeks an injunction preventing the county from implementing or enforcing

the ordinance, which the supervisors passed May 4 on a 3-2 vote. The ordinance, which takes effect early next month, prevents landlords from evicting tenants unless they are an “imminent health or safety threat” to other tenants or occupants of the same property. In its suit, filed in San Diego federal court, the association alleges the ordinance only allows landlords to evict tenants under extremely limited and vague circumstances. Those, according to the suit, are unlikely to be used because of litigation risks, making that exception to the ordinance “toothless.”

WHAT WE'RE READING

California May Allow Take-Out Cocktails To Become Permanent Restaurant Feature

The California pandemic rule permitting restaurants and other establishments to allow alcohol pick-up and to-go sales may become permanent. The state Assembly will consider a bill this week to allow the provision, which was enacted to provide an additional revenue stream for beleaguered businesses. The state Senate passed the bill on Monday. If the Assembly concurs, it will go to Gov. Gavin Newsom’s desk for signature into law. To read the full story, click [here](#).

Defining “Sincerely Held Religious Beliefs” That Might Excuse Mandatory COVID-19 Vaccination?

Whether or not a religious belief is sincerely held by an applicant or employee is rarely at issue in most religious discrimination lawsuits. With both the [EEOC](#) and [DFEH](#) guidance requiring employers to accommodate an employee who has a sincerely held religious belief that prevents an employee from receiving any of the COVID-19 vaccinations, the issue of what is a “*sincerely held religious belief*” has become more important in employment law. This is particularly true for those employers that decide to mandate the COVID-19 vaccination as a condition of employment or condition of receiving certain employment benefits. To read the full story, click [here](#).

Hundreds of PPP Loans Went to Fake Farms in Absurd Places

The shoreline communities of Ocean County, New Jersey, are a summertime getaway for throngs of urbanites, lined with vacation homes and ice cream parlors. Not exactly pastoral — which is odd, considering dozens of Paycheck Protection Program loans to supposed farms that flowed into the beach towns last year. As the first round of the federal government’s relief program for small businesses wound down last summer, “Ritter Wheat Club” and “Deely Nuts,” ostensibly a wheat farm and a tree nut farm, each got \$20,833, the maximum amount available for sole proprietorships. “Tomato Cramber,” up the coast in Brielle, got \$12,739, while “Seaweed Bleiman” in Manahawkin got \$19,957. To read the full story, click [here](#).

Employers Warned Not to Overreact to CDC's Latest Mask Guidance

The Centers for Disease Control and Prevention's (CDC) announcement that people fully vaccinated against COVID-19 can shed their masks in many settings, including indoors, no doubt came as welcome news to mask-weary workers, but employers are warned not to relax rules too quickly. To read the full story, click [here](#).

What Is Long Covid And How Do You Treat It?

COVID-19 is an unfair disease. Caused by the novel coronavirus, it has killed [at least three million people worldwide](#), and [more than half a million people](#) just in the US.

Although most people who are infected will develop mild or moderate symptoms -- or none at all -- scientists are now researching another way COVID-19 continues to stagger and show up, sometimes for months or even a year. "Long COVID," also referred to as "Long-Haul COVID or Post-COVID syndrome" is a condition where a person continues to experience symptoms of COVID-19 after their body has cleared the virus. Long COVID is under the umbrella of Post-COVID conditions, which the CDC describes as "new, returning or ongoing health problems" caused by the disease more than a month after infection. To read the full story, click [here](#).

California Governor Proposes Kindergarten For 4-Year-Olds

All 4-year-olds in California could go to kindergarten for free under a new proposal from Gov. Gavin Newsom's administration, part of a broad new education spending package made possible by the state's surprise budget surplus. That surplus means that California has an extra \$17.7 billion to spend on public education, money calculated by a voter-approved formula. Newsom will announce on Wednesday that he wants to spend part of that money to expand the state's transitional kindergarten program to all 4-year-olds by the 2024-25 school year. Details of the plan were provided by an administration official who spoke on condition of anonymity because the plan had not yet been formally announced. To read the full story, click [here](#).

Can Newsom Build On Pandemic Lessons To End Homelessness?

With a budget surplus bonanza, Gov. Newsom calls for spending \$12 billion more to end homelessness in California. One idea: expanding motel conversions, an emergency plan during the pandemic. ... The plan includes a whopping \$7 billion for the conversion of old buildings into shelters and affordable housing, plus \$1.75 billion for shovel-ready projects, \$1.6 billion toward homeless prevention and rental support, \$447 million to address student homelessness at state colleges and universities and \$150 million to rehouse people who benefitted from the state's temporary COVID-19 shelters. The governor's office said this package would provide housing for 65,000 people, offer housing stability for more than 300,000 people and create 28,000 new beds and housing placements for those with behavioral health issues and seniors. Even if those estimates

prove true, they would not cover the state's entire homeless population, which experts say will only grow in the coming months as low-income families reel from the effects of the pandemic and the statewide eviction moratorium ends June 30. To read the full story, click [here](#).

San Jose Hospitality Workers Laid Off During COVID-19 Pandemic Get Rehire Rights And Protections

The ordinance is meant to supplement a state law that went into effect last month mandating hospitality employers to first rehire approximately 700,000 laid-off workers such as housekeepers, waiters, event staff and stadium and airport employees, among others, when their businesses reopen. ... In addition to the right-to-return, San Jose's ordinance requires employers to accommodate a worker's request for time off to take care of a sick family member. Employers can meet this requirement by modifying an employee's schedule or work hours, delaying the start date of reemployment or permitting them to telework. ... The new city ordinance — first proposed by council members Raul Peralez, David Cohen and Sergio Jimenez in March — goes into effect immediately and will expire along with the state law at the end of 2024. To read the full story, click [here](#).

Confidence Grows That COVID-19 Vaccines Hold Their Own Against Variants

Studies have offered reassurance that existing vaccines work well against the two most dominant strains in California — the one first identified in the United Kingdom (B.1.1.7) and the homegrown variant identified in California (B.1.427/B.1.429). There were early concerns in the US about the variant first identified in South Africa (B.1.351). The COVID-19 vaccine manufactured by AstraZeneca — which is not authorized for use in the US — was not especially effective against preventing mild disease in South Africa, where the B.1.351 variant dominates (although that vaccine does provide better protection at preventing severe disease and death). Thankfully, B.1.351 has kept a low profile in the US, with only 18 confirmed cases in California and 453 nationwide, according to the Centers for Disease Control and Prevention.

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

Senate Democrats skeptical of extending \$300 unemployment benefit

Senate Democrats are signaling they're unlikely to extend a \$300 federal weekly unemployment benefit past September, especially if the economy continues to recover. Senate Majority Leader Chuck Schumer said at a Tuesday press conference there was "overwhelming support" among Democrats to keep providing the additional money to existing unemployment insurance. But not every member of his caucus is on board, particularly after last week's weaker-than-expected April jobs report. Sen. Joe Manchin

(D-W.Va.) is already making it clear he will not support extending the benefits past September 6. To read the full story, click [here](#).

Consumer Prices Jumped as Economic Recovery Picked Up

US consumer prices surged in April as the economic recovery picked up, reflecting surging demand as the pandemic eased and higher prices due to supply bottlenecks. The Labor Department reported its consumer-price index jumped 4.2% in April from a year earlier, up from 2.6% for the year ended in March. That is the highest 12-month level since the summer of 2008. Consumer prices increased a seasonally adjusted 0.8% in April from March. The index measures what consumers pay for goods and services, including clothes, groceries, restaurant meals, recreational activities and vehicles. To read the full story, click [here](#).

The W.H.O. Warns That A Variant In India Could Be Highly Contagious

A virus variant that has been spreading rapidly in India and designated a variant of concern by the World Health Organization might be more contagious than most versions of the coronavirus, the agency said in a report it published on Tuesday evening. The WHO emphasized in its report that it wasn't yet clear how much the variant, known as B.1.617, had contributed to the devastating surge that has crushed India in recent weeks. It cautioned that India, like many countries, is only sequencing a tiny fraction of positive samples, and that with so little surveillance, it's difficult to make firm conclusions about B.1.617. To read the full story, click [here](#).

San Diego Employers Are Mostly Not Allowing Remote Work Post-Pandemic, Report Finds

Despite endless speculation during the dark days of the coronavirus pandemic, it turns out that working from home may not be permanent for many San Diego employers. That's according to a comprehensive report published by the county's leading transportation and planning agency San Diego Association of Governments, which surveyed 577 businesses and over 1,000 employees. The survey was conducted at the end of the first quarter, roughly one year after the initial shutdown. Its findings may come as a surprise to those assuming Zoom meetings and dining table desks were the future of work. The 130-page report found that while many businesses plan to allow more flexibility than in pre-pandemic days, the vast majority don't expect their staff to work from home full-time post-pandemic. To read the full story, click [here](#).

California Reveals Data On Outcomes For Breakthrough Cases After COVID Vaccinations

California has reported 3,620 so-called breakthrough cases of coronavirus infections in people who were fully vaccinated since January 1, state public health officials said

Wednesday. Of those cases, at least 150 people were hospitalized and at least 20 died. State officials stressed that they don't know how many of those patients were hospitalized or died due to COVID-19. Hospitalized people may have tested positive after being admitted for some other condition and may not have been seriously ill from the coronavirus. Those who died may have succumbed to causes unrelated to COVID-19. The reports mark the first time the California Department of Public Health has released hospitalization and death data for people who were infected with the coronavirus after being fully vaccinated. State officials said they "exploring the possibility" of providing breakthrough data on a public dashboard soon, the same way they publish overall case, hospitalization and death numbers. To read the full story, click [here](#).

OC Grand Jury Issues Scathing Report on County's Pandemic Response, Plans

An Orange County Grand Jury report released Wednesday found OC officials — for years — failed to take seriously the threat of a pandemic and were caught flat footed on public outreach, vaccines and overall response. "The Grand Jury's investigation revealed that while Orange County had emergency plans specific to a pandemic, these plans had known gaps that were not addressed in accordance with state, national and international guidelines," reads the report. Grand jurors also found the county Health Care Agency "had been 'hollowed out' with several budgeted positions being vacant for extended periods of time." To read the full story, click [here](#).

Capitol's biggest schools clash: To Zoom or not to Zoom?

Newsom said Monday that the state's in-person learning exemption would lapse after June 30 and "everybody should be back in the fall and in person." He's not only a father of four young children but a governor facing a recall election. While momentum has swung in Newsom's direction lately, even partial fall campus closures could give opponents an opening, especially if students in other states are fully back in class. The governor's May budget revision is expected to address the issue Friday. A growing number of legislative Democrats are coalescing around restrictions on distance learning, fearful that some schools will stay with a hybrid or virtual model in the fall — and that the approach will hurt students who have disengaged from school and lost access to vital services. To read the full story, click [here](#).

Community College Reopening Plans Vary Widely, Raising Equity Concerns

The wide variety of Fall reopening plans for community colleges raises questions about how the patchwork of class offerings will affect those students who have struggled the most to stay enrolled during the pandemic. The pandemic has led to enrollment drops throughout California's community college system. Some Southern California campuses have seen as many as one-in-four students drop their classes. Los Angeles City College administrators say their direct counseling and personal outreach approach has kept

their enrollment drop to about 3%. These enrollment drops have prompted education researchers to wonder how aggressive colleges are going to be in reaching out to those students to get them back. To read the full story, click [here](#).

US Jobless Claims Fall to Another Pandemic Low

Worker applications for unemployment benefits fell to 473,000 last week from a revised 507,000 a week earlier, the Labor Department said Thursday. Claims remain above pre-pandemic levels but are now at the lowest point since mid-March 2020, when the pandemic shut down the economy and triggered widespread joblessness. The four-week moving average, which smooths out volatility in the weekly numbers, also reached a new pandemic low of 534,000. To read the full story, click [here](#).

Oregon And Other States Link Reopening Measures To Vaccine Targets

While some states are offering residents incentives like savings bonds or sports tickets to encourage them to be vaccinated, a few are making a very different pitch: The sooner you get a shot, the sooner the state will fully reopen. The latest is Oregon, where the governor said on Tuesday that the state's remaining restrictions would stay in place until at least 70 percent of eligible residents 16 and older had had at least one shot. ... In Michigan, capacity limits for businesses will lift two weeks after 65 percent of eligible residents have been vaccinated, and the gatherings and face mask orders will end two weeks after 70 percent of eligible residents have been fully vaccinated, Gov. Gretchen Whitmer said. ... Pennsylvania is waiting for 70 percent of adults to be fully vaccinated before lifting its mask mandate. To read the full story, click [here](#).

Wealthy Nations Once Praised As Successes Lag In Vaccinations

In Japan, South Korea and New Zealand, the vaccination rates are languishing in the single figures. That is in sharp contrast to the US, where nearly half of all people have gotten at least one shot, and Britain and Israel, where rates are even higher. Not only do those three Pacific countries rank worst among all developed nations in vaccinating against COVID-19, they also rank below many developing countries such as Brazil and India, according to national figures and the online scientific publication Our World in Data. Australia, which isn't providing a full breakdown of its vaccination numbers, is also performing comparatively poorly, as are several other places initially considered standout successes in battling the virus, including Thailand, Vietnam and Taiwan. To read the full story, click [here](#).

California Unemployment Claims Stay Far Above Normal

Unemployment claims in California totaled about 70,442 during the week that ended on May 8, which was a decline of 324 from the week ending May 1, when 70,766 claims were filed statewide, the US Labor Department reported. Nationwide, unemployment

claims fell significantly, totaling 473,000 during the week ending May 1, which was a decline of 34,000 from the week before. In California, initial jobless claims remain at high levels when compared with what was the case prior to wide-ranging business shutdowns that the government ordered to blunt the spread of the coronavirus. To read the full story, click [here](#).

California Counties Await Mask, Social Distancing Guidance

Counties in California are waiting for guidance from the state after the federal government on Thursday said fully vaccinated people can quit wearing face coverings and social distancing in most situations whether outside or inside. California's Department of Public Health did not respond to questions about whether and when the state would adopt new guidance announced by the Centers for Disease Control and Prevention. The CDC still calls for wearing masks in crowded indoor settings, such as buses, planes, hospitals and prisons, and says residents should follow local rules. Gov. Gavin Newsom says the state is on track to fully reopen its economy next month, signaling an end to most pandemic restrictions as infection rates stay at record lows and more people get vaccinated. On Thursday, the state began allowing children 12 to 15 to receive the vaccine. To read the full story, click [here](#).

Most Kids With Coronavirus Infections Lack Typical Symptoms Of COVID-19, Study Says

If you've taken your child to school, a dental appointment or a sports practice in the past year, you've probably seen someone hold a thermometer up to their forehead or wrist as a COVID-19 screening tool. But a new study suggests that a temperature reading in the normal range isn't a reliable signal that a kid is coronavirus-free. In fact, the study of more than 12,000 children with laboratory-confirmed infections found that the vast majority of them — more than 81% — did not develop a fever despite contracting the coronavirus. What's more, nearly three-quarters of these infected children never had "any of the typical COVID-19 symptoms" — a fever, cough or shortness of breath — researchers wrote Thursday in the journal *Scientific Reports*. To read the full story, click [here](#).

A California Program Spent Millions On Devices For Distance Learning. Here's Where It Went

Despite efforts to appeal to Silicon Valley's big donors, however, hundreds of thousands of students are still estimated to be without computers at home, according to recent data from the California Emerging Technology Fund and the University of Southern California, which conducted a statewide survey of 575 California families in February and March. As of March, 95% of California families with school-age children said each of their kids had a device to use for remote classes, according to the USC and technology

fund study. About 3% said a computer was available but shared, and 2% said they didn't have a device. Most of those without a device are Spanish-speaking families, the study found. To read the full story, click [here](#).

They Haven't Gotten A Covid Vaccine Yet. But They Aren't 'Hesitant' Either.

According to a new US census estimate, some 30 million American adults who are open to getting a coronavirus vaccine have not managed to actually do so. Their ranks are larger than the hesitant — more than the 28 million who said they would probably or definitely not get vaccinated, and than the 16 million who said they were unsure. And this month, as the Biden administration set a goal of 70 percent of adults getting at least one dose by July 4, they became an official new focus of the nation's mass vaccination campaign. To read the full story, click [here](#).

US Shoppers Continued Stimulus-Fueled Spending in April

Retail sales—a measure of purchases at stores, at restaurants and online—overall were unchanged last month from March, the Commerce Department reported Friday. That kept spending at the same pace set by March's upwardly revised 10.7% advance, which was influenced by government-stimulus money for most households. "Flat sales going from March to April is still pretty strong. The level of sales is much higher than before the pandemic," said Scott Brown, chief economist at Raymond James Financial. "It's still a sign that consumer spending is pretty healthy at this point." Sales were up 2.9% at auto and parts dealers, where shortages in available cars have driven up prices, and 3% at restaurants and bars, a positive sign for the hard-hit industry as the US economy more fully opens. To read the full story, click [here](#).

Who gets a Golden State stimulus check? When?

Taxpayers earning up to \$75,000 in adjusted gross income will qualify for a California stimulus check if lawmakers approve Newsom's plan. In cases where two taxpayers file jointly, the threshold is \$75,000 for their combined incomes. The governor says that covers 78% of California taxpayers and will benefit two in three Californians. Families with at least one child or other dependent will get an extra \$500 boost. Families with undocumented workers who file taxes with an Individual Taxpayer Identification Number, or ITIN, will get a \$1,000 boost if they have at least one dependent.

Undocumented immigrants have been excluded from thousands of dollars in federal stimulus checks, and potentially tens of thousands in unemployment benefits. To read the full story, click [here](#).

Herd immunity? Only two counties are even close

Less than half of eligible people in 45 of the state's 58 counties have been fully vaccinated for COVID-19. Marin and Alpine rank at the top with 69%, while Lassen,

Mariposa and Kings are at the bottom with 25% or less. ... Some experts anticipate that the Bay Area will be the first region in the state to reach herd immunity, or as experts more commonly refer to it, “community immunity.” Of the 13 counties where at least half of eligible residents have been fully vaccinated, eight are in the Bay Area. Public health officials have said anywhere from 70% to 85% of the total population — not just eligible people — needs to be fully vaccinated to beat COVID-19 or at least keep its transmission low enough. To read the full story, click [here](#).

Summer school plans hinge on teacher energy

After months of teaching remotely and then transitioning to in-person instruction, with the plethora of accompanying safety precautions, many teachers say they are just too tired to take a summer job. ... To fill the gaps, school districts are tapping retired teachers and student teachers to fill classrooms, while others are turning to churches, after-school programs and community organizations like Girls and Boys Clubs of America, Boy Scouts of America and the Girl Scouts to help them offer in-person summer programs to students. Other districts are increasing teachers’ hourly pay or offering bonuses. To read the full story, click [here](#).

US to Increase Covid-19 Vaccine Exports Amid Global Pressure

The Biden administration moved to sharply ramp up Covid-19 vaccine shipments to other countries, following calls for the US to bolster efforts to curb the coronavirus globally as it rages unchecked in developing nations. An earlier pledge to export 60 million doses of the vaccine from AstraZeneca PLC came with little sacrifice because that vaccine has yet to be authorized for US use. The US now plans to share globally 20 million doses of vaccines produced by Moderna Inc., Pfizer Inc. and Johnson & Johnson , all of which are being used in the US President Biden said Monday that 80 million vaccine doses are expected to be donated by the end of June. Delivery of the AstraZeneca vaccine doses will be contingent on a Food and Drug Administration review of product-quality standards, the White House said. 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, 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.