

## CALIFORNIA CORONAVIRUS WEEKLY RECAP

*A weekly digest to keep you up to speed on the California coronavirus outbreak.*

September 2, 2020

Welcome to the 25<sup>th</sup> issue of the California Coronavirus Weekly Recap newsletter. Before we get started, we want to make sure you're aware that we've released a new legal Q&A on the [COVID-19 Tenant Relief Act of 2020](#), which was signed into law on Monday.

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### **The Economy & Your Finances: EDD to begin processing additional \$300 weekly benefit in early September**

Another [1 million](#) Americans applied for jobless assistance last week, bringing the total to over 58 million first-time applications in just 23 weeks. In California, unemployment claims reached [209,500](#), up from 190,400 the week before. While the overall number of unemployed Californians has fallen by [320,000](#) since July, employed numbers grew by

only half as much. Since mid-March, nearly 8 million Californians have applied for first-time unemployment, and California accounts for 21 percent of the nation's pandemic unemployment claims despite having only 11 percent of the nation's workforce.

The California Employment Development Department (EDD) announced it will begin processing [a \\$300 weekly supplemental unemployment benefit](#) for eligible Californians and sending out payments the week of September 7. The payments will be available to Californians currently eligible to receive at least \$100 in weekly state unemployment benefits who have certified they are fully or partially unemployed due to disruptions caused by COVID-19. An estimated [1.3 million](#) Californians might still be due money from the EDD.

In Washington, lawmakers are [slowly making progress](#) towards a deal on another stimulus package. House Speaker Nancy Pelosi has said she will not budge on the overall size of the package, which was recently reduced from \$2.4 trillion to \$2.2 trillion.

Sources: USA Today, The Mercury News, Los Angeles Times, Public Policy Institute of California, Forbes

## **The Market & Industry: Newsom signs eviction protection legislation**

California state lawmakers voted in favor of AB 3088, a plan to [protect tenants from eviction](#) through January as long as starting with the month of September they pay 25 percent of the rent due. This minimum of 25 percent of the rent can be paid each month, or it can be paid in delayed payments as long as all of it is paid by January 31, 2021. Governor Newsom [signed](#) the legislation Monday night. Tenants are still responsible for paying unpaid amounts to landlords, but other than the 25 percent of the rent due beginning in September, any rent unpaid between March 1, 2020 and January 31, 2021 because of a COVID-19 related inability to pay cannot be the basis for an eviction. Landlords will be able to recover this debt in court, however, beginning March 1, 2021, and small claims court jurisdiction will be temporarily expanded to allow landlords to recover these amounts.

The law also includes some additional protections for small landlord who may have trouble making payments on their mortgage due to the eviction moratorium.

The law includes an expansion of the Homeowner Bill of Rights. The expansion brings small landlords within its protections.

There is also a requirement that loan servicers must follow federal guidance regarding the granting of a loan forbearance. Failure to do so violates California law giving rise to various state law remedies such as injunctions, claims for damage and restitution, and attorney fees.

For more information, see C.A.R.'s legal Q&A on the [COVID-19 Tenant Relief Act of 2020](#).

Yesterday, the federal government through the CDC/HHS announced a nationwide eviction moratorium for those who meet certain income and other qualifications. This will last through December 31, 2020, unless renewed.

The law permits and does not take the place of more stringent state or local legislation for tenant protections. Given that AB 3088 lasts longer and its provisions appear to be more protective of tenants it is likely that California landlords will need to continue to comply with AB 3088.

C.A.R. legal is reviewing the interaction with state law and further information will be forthcoming. It is also unclear whether the federal government has the ability to impose such a far reaching order affecting the economy but courts tend to be deferential towards the use of government powers in public health emergencies, which is why it is likely this is coming from the CDC.

The Federal Housing Finance Agency (FHFA) agreed to delay the implementation of its new [loan refinance fee](#) until December 1, 2020. The fee was initially scheduled to be implemented on September 1. C.A.R. [opposes the fee entirely](#), stating the fee is counter

to other actions taken by the government to ease the financial burden on Americans struggling during this pandemic because it is taking money right out of the pockets of homeowners when they can least afford it. The agency also announced the new fee will not apply to refinance loans with balances [below \\$125,000](#). FHFA also announced that Fannie Mae and Freddie Mac will extend their moratorium on evictions and foreclosures through December 31.

[Buyer demand](#) continues to be extremely hot, with nationwide mortgage applications up [33 percent](#) from a year ago. Homes are going under contract in record time — in California, existing single-family homes were selling in a median of 17 days in July — and interest in [larger homes](#) has shot up in particular.

Sources: REALTOR® Magazine, Inman News, Los Angeles Times, C.A.R. Research & Economics, C.A.R., HousingWire, Office of the Governor of California

## **Around the State: Newsom unveils new tier system for reopening**

Last Friday, Governor Newsom unveiled his [new plan](#) for California's second attempt at reopening. The county monitoring list has been replaced by a set of [color-coded tiers](#) into which counties will be sorted, with a county's tier determining how much business can be conducted there. The new system is based on positivity rates and new daily case numbers per 100,000 residents. The [California COVID-19 website](#) has also been updated so you can search to see what activities are available in your county.

Right now, 38 counties — comprising 80 percent of the state's population — are in the most restrictive (purple) tier, where many kinds of businesses must remain closed unless they can operate outdoors. Even so, there have been positive signs: [Los Angeles](#) had just over 1,089 confirmed coronavirus hospitalizations as of Sunday, representing a decline of about 50 percent from mid-July. The [Bay Area](#) has reported lower numbers as well.

Even as California records declines, health officials are [preparing for another surge](#) of COVID cases. Experts are particularly worried about spread among young people, at workplaces staffed by low-income employees, and among food processing and manufacturing workers.

With wildfires still raging across the state, experts continue to warn that breathing in [wildfire](#) smoke may exacerbate the symptoms of COVID-19. Moreover, [storm prep and evacuation procedures](#) can bring many people into tight spaces, raising the risk of infection.

As of last night at 9:59 p.m., cases in California numbered 716,739 and deaths had hit 13,170. California has the highest number of recorded coronavirus cases in the country.

Sources: The New York Times, California Department of Public Health, Los Angeles Times, The San Francisco Chronicle, CNN, NBC News, Scientific American

## Health Check-Up: Cases rising among children and teenagers

A new dataset spanning from May 21 to August 20 shows that COVID-19 cases, hospitalizations and deaths have increased faster in [children and teenagers](#) than among the general public. While young children appear to catch and transmit the virus less than adults, sustained community transmission has led to these increases. And a recent South Korea study indicated that children who are infected but show no symptoms [transmit the virus](#) for nearly as long as children who are visibly sick.

As we approach flu season, health experts are strongly encouraging Americans to [vaccinate against influenza](#) this year so hospitals aren't overwhelmed by both COVID-19 and influenza patients this fall. The same practices that protect you against COVID-19 — wearing a mask, social distancing, washing your hands — will also protect against the flu.

On Monday, a public health laboratory in Nevada reported the first [confirmed coronavirus reinfection](#) in the United States. Only a handful of reinfections have been confirmed worldwide thus far, and it is not yet clear whether these cases are anomalies or will prove to be more common.

Sources: The New York Times, Los Angeles Times



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