

## CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

January 6, 2021

Happy New Year, and welcome to the 43<sup>rd</sup> issue of the California Coronavirus Weekly Recap newsletter. Before we get started with this week's news, we want to make sure you're aware that we have posted extensive updates to several of the FAQs on the coronavirus microsite to reflect the new coronavirus relief act signed into law on December 27. For more information, please see:

- [FAQ on Pandemic Unemployment Assistance \(PUA\)](#)
- [FAQ on Small Business Administration \(SBA\) Loans and Grants for Agents](#)
- [FAQ on Small Business Administration \(SBA\) Loans and Grants for Brokers](#)
- [FAQ on Direct Relief and Other Payments](#)

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## The Economy & Your Finances: Initial applications window for California small business grant program closes Jan. 13

California small businesses can apply for the state's new [Small Business COVID-19 Relief Grant Program](#) through the Governor's Office of Business and Development. Recipients of the grant will be awarded [between \\$5,000 and \\$25,000](#) based on annual revenue as documented in the business' most recent tax return. To be eligible, the business must have a yearly gross revenue of \$2.5 million or less; have been active since June 1, 2019; be currently operating or have a plan to reopen; and be impacted by COVID-19-related interruptions or closures. An applicant is not guaranteed to receive a grant even if they meet the eligibility criteria. The deadline to apply for the first round of grants is [January 13](#).

California unemployment claims [continue to climb](#), in contrast with the national trend that's seeing a decrease in new weekly claims. Since the lockdowns began, 10.8 million Californians have filed new claims for unemployment benefits.

The California Employment Development Department (EDD) is [expediting the expansion of federal unemployment benefits](#) under the CARES II Act, which was signed into law on December 27. For weeks starting December 27 through the week ending on March 13, claimants for Pandemic Unemployment Assistance (PUA) and traditional unemployment can expect to receive a supplemental \$300 per week. In addition, PUA — which benefits small business owners, independent contractors and the self-employed — now offers a total of up to 57 weeks of benefits, representing an 11-week extension. The last week claimants can receive benefits will be April 4-10 unless the program is extended. Those who had a balance remaining on their claim come December 26 will continue on with that claim and then transition to the additional 11-week benefits as long as they remain eligible. Members are reporting that EDD's UI Online home page is reporting their claim is expired and they must file a new claim, but CAR is suggesting members wait to see if EDD's launch of the extension automatically updates their claim.

The CARES Act II also provides [direct payments](#) to qualified individuals, and those payments are in the process of being distributed. Individuals earning under \$75,000 and heads of households under \$112,500 typically qualify for the full \$600 stimulus payment. Those married and filing jointly or surviving spouses earning under \$150,000 usually qualify for a \$1,200 payment. People with qualifying children will receive an additional \$600 per child. However, children claimed as dependents who are 17 and older are not eligible for the child payment. This time around, adult dependents do not qualify. Eligible taxpayers who filed in 2019 will receive automatic payments via direct deposit or by mail. Mailed payments may be checks or debit card issued by MetaBank, N.A. so watch your mail carefully.

Sources: California Small Business COVID-19 Relief Grant Program, KCRA, NBC Bay Area, The Mercury News, California Employment Development Department, Forbes, Official State of California Government Website

## **The Market & Industry: Housing market closed out the year strong**

While buyer demand cooled a tad at the end of 2020, perhaps due to the holidays, the California housing market ended the year on a [strong note](#), well ahead of 2019 levels. Mortgage rates continue to sit at [record-low levels](#), and California is continuing to see much stronger buyer demand than is typical for this time of year.

With high buyer demand resulting in a surge of business for lenders, [mortgages are now taking longer to close](#); the average time it took a mortgage to close in November 2020 was 55 days. This can adversely affect borrowers who lock in specific rates for a 30- or 45-day period. And as of December 1, approximately 2.8 million homeowners were on a [forbearance plan](#), with data showing forbearance rates are highest among higher-priced loans.

The CARES Act II also extended the federal eviction moratorium until the end of January 2021 (now aligning with California's moratorium) and included [\\$25 billion for rental assistance](#), which will be distributed to states to dispense as they see fit. Landlords will be able to apply directly for those funds when they become available.

Sources: C.A.R. Research & Economics, HousingWire, REALTOR® Magazine, Vox

## Around the State: Experts warn of deadly surge to come post-holidays

California experienced its [most destructive surge to date](#) in December, which saw more than 1 million of the state's total 2.3 million cases reported since the pandemic began. And Gov. Newsom warns that after the Christmas and New Year holidays, California could now be facing a [“surge on top of a surge on top of a surge.”](#)

Already cases are [skyrocketing](#), hospitals are running [short on oxygen](#), and funeral homes are [running out of space](#). In [Los Angeles County](#), epicenter of the state's crisis, cases doubled in a little over a month; they now top 800,000. Overworked hospital staff are reporting being inundated with patients who are [“younger and sicker”](#) than before. In [Santa Clara County](#), ambulances are waiting up to seven hours for a bed to open up for their patients. [Central Valley](#) hospitals are nearly out of space. As of 11:27 last night, the statewide average for ICU bed availability is 0 percent, and the state is averaging a 15 percent positivity rate for tests. Cases in California numbered 2,496,990, deaths had reached 27,519, and 459,964 people have received vaccinations.

Meanwhile, a [new, more contagious strain](#) of COVID-19 that originated in the U.K. was detected in Big Bear, San Diego and San Bernardino. The new strain is believed to be [more contagious](#), but not believed to make a patient any sicker than the original strain. Currently authorized vaccines are [expected to protect](#) against the new strain as well.

More than [4.2 million](#) Americans have received their first dose of a coronavirus vaccine, well below the federal government's target of 20 million vaccinations by the end of 2020. Of those 4.2 million, Californians constitute around [450,000](#). In an attempt to expedite the rollout, the United States is considering [giving half-doses of the Moderna vaccine](#) to people between ages 18 and 55.

Sources: The Mercury News, CAL Matters, Los Angeles Times, AP News, The San Francisco Chronicle, KCRA Sacramento, CNN

## Health Check-Up: New mutation discovered in South Africa

A new mutation of the coronavirus has been discovered in [South Africa](#) — and experts believe this one may pose an even greater risk than the mutation that originated in the U.K. and has found its way to the U.S. The South African variant has multiple mutations, which raises questions as to [the efficacy of existing vaccinations](#) on this variant.

With vaccinations ramping up nationwide, experts caution that vaccinated persons may still be [capable of spreading](#) the coronavirus to unvaccinated persons. Consequently, it will be important for vaccinated individuals to continue practices like social distancing and mask-wearing until a significant portion of the population has been vaccinated.

Sources: CNBC, VICE, The New York Times



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