

CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

January 20, 2021

Welcome to the 45th issue of the California Coronavirus Weekly Recap newsletter. Before we get started with this week's news, we want to remind you that we have made updates to the following coronavirus resources:

- Guidance for Employers
- FAQ on SBA Loans and Grants for Agents
- FAQ on SBA Loans and Grants for Brokers

In This Issue:

- The Economy & Your Finances: President Biden unveils \$1.9 trillion relief plan
- The Market & Industry: California market ends year on strong note
- Around the State: California surpasses 3 million cases
- Health Check-Up: Wearing two masks can boost efficacy

The Economy & Your Finances: President Biden unveils \$1.9 trillion relief plan

Last Thursday, President Biden (who was just sworn into office this morning) unveiled his new [\\$1.9 trillion COVID-19 relief plan](#), titled the American Rescue Plan. The package includes

\$1,400 direct relief checks to supplement the \$600 checks included in the CARES Act II. It would also, among other things, increase the [per-week federal unemployment benefit to \\$400](#) and extend it through September; extend eviction and foreclosure moratoriums through September; put \$50 billion toward COVID-19 testing; and put \$20 billion toward a national COVID-19 vaccine program in partnership with states, localities and tribes.

First-time jobless claims rose to their [highest level since August](#) last week. Continuing claims rose as well, increasing for the first time since November. As of January 13, California's backlogged initial claims had jumped [295 percent](#) from the week prior. The California Employment Development Department's (EDD) system continues to be plagued by fraud, leading to the abrupt [suspension of 1.4 million claims](#) on New Year's Eve. Experts warn at least [10 percent](#) of California unemployment claims submitted during the pandemic prior to October may have been fraudulent.

The IRS will be sending out around 8 million stimulus checks as [prepaid debit cards](#) instead of using direct deposit. If you are eligible but have not received your \$600 payment yet, the IRS encourages you to watch your mail closely and use the "[Get My Payment](#)" tool to check on the status of your check. The Better Business Bureau (BBB) cautions that [scammers are targeting stimulus checks](#) and recommends that you watch out for and ignore texts or emails asking you to click a link to request benefit payments.

Applications for Paycheck Protection Program (PPP) loans reopened on January 19 for all participating lenders. Eligible borrowers can now apply for a first draw PPP loan, and they can also apply for a second draw loan if they have previously received a PPP loan and experienced a reduction in gross receipts of at least 25% in any 2020 quarter compared to the same 2019 quarter. Members seeking PPP loans can use their first round PPP lender or any SBA-authorized lender. C.A.R. includes links to a variety of fintech and community lenders in its FAQ [here](#). Additionally, SBA has released a [one-page PPP loan forgiveness certification form](#), which can be used to apply for loan

forgiveness by all PPP borrowers who took out loans of \$150,000 or less.

The EDD continues to implement the changes required by CARES Act II. More members have reported being able to certify for benefit weeks through January 9, but many members have still not had the changes applied to their EDD accounts. EDD has suggested it will take another two weeks for changes to be implemented for all accounts. Members receiving UI or PUA benefits should regularly check their EDD UI Online page for updates. There is no need to reopen a claim if updates have not been applied to the claimant's account. Members who are invited to certify for benefit weeks through January 9 have been updated, and members should certify promptly. Also, members whose accounts have been suspended for ID verification or suspected fraud should promptly follow procedures provided in the notice of suspension as verification must be completed within 10 days of the notice.

Sources: NPR, CNBC, The Mercury News, The New York Times, Los Angeles Times, REALTOR® Magazine, Internal Revenue Service

The Market & Industry: California market ends year on strong note

The California housing market [closed out the year strong](#), recording solid sales and a fifth record-high median price in December 2020. At the same time, the surge in COVID-19 cases contributed to a 47.1 percent decrease in active listings year-over-year. Even with the tightening inventory, [closed sales in California](#) have been rising over the past three weeks by more than 30 percent compared with early 2020 levels. And pending sales suggest the market will remain strong into February.

[Mortgage rates](#) climbed a little at the start of the year, motivating borrowers who didn't want to miss out on the lowest rates. Last week, mortgage applications were up 10 percent from the same time a year prior, and refinance applications were up 93 percent.

The FHFA extended its [eviction and foreclosure moratoriums](#) through February. Even if deadlines are extended beyond that, renters will be expected to pay back what they owe. Under the CARES Act II, passed in late December, \$25 billion has been allocated for rental relief; of that, approximately \$2.6 billion will make its way to California. Households will qualify for relief funds if they make 80 percent or less of the median income in their area and include at least one person who qualifies for unemployment or has experienced a financial hardship because of the pandemic. The law states that the money is supposed to go directly to the landlord or utility company.

Sources: C.A.R., C.A.R. Research & Economics, CNBC, Los Angeles Times, HousingWire

Around the State: California surpasses 3 million cases

The COVID-19 death toll has now surpassed [30,000 in California](#), [400,000 in the United States](#) and [2 million worldwide](#). On Monday, California became the first state to top [3 million](#) confirmed coronavirus cases. Deaths are skyrocketing, with more than [530 Californians](#) dying of COVID-19 every day. Roughly 20 percent of all Californians who have died from COVID-19 passed away in the first two weeks of 2021.

Los Angeles County, the epicenter of California's crisis, surpassed [1 million total cases](#) over the weekend. On average, 10 Los Angeles County residents [test positive](#) for COVID-19 every minute, and one resident dies every 6 minutes. So many people have died in Los Angeles County that officials have temporarily suspended air-quality regulations that limit the number of [cremations](#). New estimates suggest that [one in three](#) Los Angeles County residents have been infected with coronavirus since the beginning of the pandemic — indicating testing may only capture a percentage of those actually infected.

California is [far behind](#) its original vaccination goals, in part due to [bottlenecks in the supply chain](#) and confusion about who would be prioritized. Local health departments and hospitals have used only about a third of the vaccinations they have received. To speed up the process, mass vaccination sites are opening in [San Francisco](#), at [Disneyland](#) and at [Dodger Stadium](#).

Last week, Governor Newsom announced that [residents 65 and older](#) are able to receive the COVID-19 vaccine. But many counties do not have enough doses to expand their already slow rollouts. For more information on the vaccine rollout, see [California's COVID-19 website](#). For more information on how to access the vaccine in your county, please see your [individual county's public health department website](#).

Vaccinating as many people as possible as quickly as possible is especially important now that a [variant strain](#), which first originated in the U.K., is spreading in California. Modeling from the CDC suggests this strain, which is thought to be more contagious than the original, could [increase the trajectory of the pandemic](#).

Sources: Los Angeles Times, NBC News, The New York Times, ABC News, NBC Los Angeles, NPR, CNN, The San Francisco Chronicle, California COVID-19 Website, U.S. Centers for Disease Control

Health Check-Up: Wearing two masks can boost efficacy

Researchers recommend [double-masking](#) for those with thin or flimsy face coverings who want to ensure they're protected. Layering two masks on top of each other can provide protection comparable to that of the highly effective N95 masks, which are in short supply. However, wearing more than two masks isn't necessary and will likely make it difficult to breathe.

New research from the University of Southern California and Princeton University concludes the COVID-19 pandemic has [shortened the average life expectancy](#) in the United States by 1.13 years.

The reduction in life expectancy is estimated to be even greater among racial and ethnic minorities.

[This article from the BBC](#) explains how two-dose vaccinations work and why the second “booster” shot is important. For example, according to data published by Pfizer, the Pfizer-BioNTech vaccine is 52 percent effective after the first dose but 95 percent effective after both doses.

Sources: NPR, BBC News, The New York Times



This message was sent to katherinem@car.org. Visit your [subscription management page](#) to unsubscribe or modify your email communication preferences. To update the email address to which this newsletter is sent, please contact your local association.

Copyright © 2021, All rights reserved.