

CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

July 29, 2020

Welcome to the 20th issue of the California Coronavirus Weekly Recap newsletter. Before we get started, if you need to reopen a previously closed claim for Pandemic Unemployment Assistance (PUA), make sure you check out our [step-by-step guide](#). We also encourage you to take a look at the newest issue of [California Real Estate](#) magazine for a piece on [mastering the virtual transaction](#) and an interview with [C.A.R. CEO Joel Singer and Chief Economist Leslie Appleton-Young](#) on how the COVID-19 crisis has impacted real estate.

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The Economy & Your Finances: Unemployment rises, stimulus package negotiations begin

The U.S. economy — which began recovering from the first wave of coronavirus

shutdowns in May — is [stalling again](#). Several large employers have announced layoffs, out-of-work Americans are becoming more pessimistic about getting their jobs back, and roughly [one in five](#) American workers are collecting unemployment benefits. Last Thursday, the Labor Department reported [1.4 million](#) new applicants filed for unemployment last week, an increase from 1.3 million in the preceding two weeks.

In California, [unemployment claims rose](#) last week to their highest level in three months; in some cases, those claims were from workers initially laid off in March or April, brought back in May or June, and then let go again with the most recent surge of cases. In the past three months, California has seen more unemployment applications than it did during the entirety of the [Great Recession](#). Members that need to reopen a PUA claim with EDD can use C.A.R.'s new [Step-by-Step Guidance for Reopening a Claim](#).

Americans receiving unemployment — both traditional and Pandemic Unemployment Assistance (PUA) — received their final [\\$600 weekly boost](#) from the federal government for the week ending July 25. While the United States Senate is meeting this week about another stimulus package, the GOP plan unveiled Monday would replace the \$600 per week with [70 percent of a worker's previous wages](#). Those on unemployment would receive a reduced sum of \$200 extra per week until October, when the 70 percent wage replacement limitation (up to a maximum of \$500 per week over the state benefit) would take effect.

The proposed \$1 trillion plan would also send checks of \$1,200 and \$2,400 to individuals and couples respectively, using the same qualifications as the checks approved in March. The plan would also extend the Paycheck Protection Program (PPP) and allow small businesses with fewer than 300 employees (including independent contractors with no employees) that have seen revenue fall by more than 50% to apply for a second PPP loan.

The Democrats' proposed [\\$3 trillion plan](#), introduced last May, would extend the \$600 weekly unemployment boost through the end of the year. Negotiations on the stimulus package will continue to play out this week.

The Market & Industry: Wave of upcoming evictions anticipated

With the \$600 weekly benefit now gone, experts are concerned about a possible [upcoming wave of evictions](#). In some places, the [wave has already begun](#), even though the eviction moratorium on properties with federally-backed mortgages expires at the end of this week. [Renters](#) have been hit hard by the pandemic and stand to be hit [even harder](#) by the end of the extra unemployment benefits. [Black and Hispanic](#) renters are especially at risk of losing their homes.

In [California](#), Governor Newsom has extended an authorization allowing local governments to delay evictions through September. When the moratorium expires, Los Angeles alone could have [365,000 renter](#) households in imminent danger of eviction. Oakland Mayor Libby Schaaf has warned of a “[homeless armageddon](#)” once the moratorium is lifted.

The real estate market continues to move, with nationwide sales of [new houses](#) jumping to a 13-year high and demand so high that buyers continue to make offers [sight-unseen](#). In California, June saw home sales increase more than [40 percent](#) on a month-to-month basis, although the state is still hovering below 2019 levels by 12.8 percent. While buyer demand remains high — weekly mortgage demand is up [19 percent](#) from this time last year — inventory remains a significant challenge for California’s housing recovery.

Sources: Los Angeles Times, The New York Times, Forbes, Zillow Research, CNBC, ABC News, UCLA Luskin Institute on Equality and Democracy, Politico, HousingWire, REALTOR® Magazine, C.A.R. Research & Economics

Around the State: California is a "new New York"

California — along with three other hard-hit states: Texas, Arizona and Florida — now

resembles a “[new New York](#),” according to the White House’s coronavirus response coordinator. New York was once the epicenter of the COVID-19 crisis in the United States; now California has the [highest number of cases in the nation](#)(though this can be partially attributed to California being the most populous state in the nation). As of yesterday at 9:58 p.m., cases in California numbered [473,500](#) and deaths had hit 8,716. California has the largest number of coronavirus cases in the country, ahead of New York. Thirty-three of California’s 58 counties are on the state’s [watchlist](#).

Experts predict it could take [four to five weeks](#) before cases start to decline. In the meantime, counties have stepped up their [enforcement](#) efforts, issuing fines to individuals and businesses for violating public health orders.

COVID-19 is killing more Californians than ever before and exacerbating existing inequalities, with the [Latinx](#) community and [Pacific Islanders](#) getting hit particularly hard.

[Major League Baseball](#) came back last week only to face a coronavirus outbreak just days into the season, and [Google](#) has announced it will allow all employees to continue working from home until at least next summer.

Sources: Los Angeles Times, The San Francisco Chronicle, California Department of Public Health, The Mercury News, NBC Bay Area, NPR

Health Check-Up: Moderna's vaccine study begins final testing phase

The final phase of the world’s biggest COVID-19 [vaccine study](#) began on Monday with 30,000 volunteers. While the vaccine involves a technology that has never been used to make a successful vaccine before, Dr. Anthony Fauci has said he is “[not particularly concerned](#)” about the safety risk. If one of the vaccines in testing right now does prove to successfully protect against COVID-19, it might not be widely available until [several months into 2021](#).

In the meantime, other diseases could make resurgences, as California child vaccination rates in June fell to about [87 percent](#) of what they were in 2019. But in some good news, experts say it's [unlikely](#) that a person is able to contract COVID-19, recover and then contract it again — reports of reinfection are likely cases of drawn-out illness.

The evidence continues to indicate that [staying home](#) can have a measurable impact on slowing the spread of the coronavirus. When you do leave the house, wear a mask with [at least two layers of fabric](#), preferably three, for the best protection.

Sources: Los Angeles Times, CNBC, The Mercury News, The New York Times, MSN



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