

## CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

August 19, 2020

Welcome to the 23<sup>rd</sup> issue of the California Coronavirus Weekly Recap newsletter. Before we get started, we want to make sure you're aware that we updated our [FAQ for Employers on COVID-19 in the Workplace](#) with new guidance on California and federal employment issues that may arise amidst this public health crisis.

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### **The Economy & Your Finances: New unemployment claims dip**

Weekly jobless claims dropped to 963,000 last week, [ending a 20-week streak](#) of jobless claims that topped 1 million. While California's claims also dipped slightly, it represents 22 percent of the nation's new claims even though it only has 11 percent of the labor force. Since the shutdowns began, [7.51 million](#) Californians have filed for unemployment.

On August 8, President Trump issued several executive actions to address the economic fallout from COVID-19, [one of which](#) created a program that would add \$400 to workers' weekly unemployment checks. But this program called for states to chip in one-fourth of the cost, which many governors — including [California Governor Gavin Newsom](#) — said they did not have the funds to do. The Trump administration shifted their guidance, allowing states' existing benefits to count towards their share, which means most unemployed workers will be receiving an [additional \\$300](#), not \$400. The EDD has [said](#): "We are working closely with state and federal partners to review the [Presidential Memoranda](#) and assess how to implement additional assistance payments." There are also system programming challenges; for those who qualify, it could take weeks before they start seeing any additional payments.

While the [next stimulus package](#) could include additional jobless aid and another round of stimulus checks for taxpayers, a package is unlikely to be agreed upon until after Labor Day. The Senate went on recess last week after another breakdown in negotiations.

Meanwhile, California lawmakers are considering a "[wealth tax](#)" that would levy a 0.4 percent tax on every Californian worth more than \$30 million. And due to the recent heatwaves, [home electricity](#) bills are soaring.

Sources: The San Francisco Chronicle, The Mercury News, The White House, The New York Times, NPR

## **The Market & Industry: Housing recovery continues, Calif. to end statewide eviction moratorium on Sept. 1**

California's [housing recovery continued](#) in July as home sales climbed to their highest level in two and a half years while setting another record-high median home price. July sales climbed above 400,000 for the first time since February and were up 6.4 percent from a year ago. At the regional level, sales increased in all major regions from last year and was particularly strong in the Central Coast region, which posted a 21.9 percent gain.

The Judicial Council of California voted last Thursday to [end its statewide moratorium on foreclosures and evictions on September 1](#). This move gives lawmakers a couple more weeks to figure how to prevent a massive wave of evictions from sweeping across the state. Beginning on September 2, the courts will once again be able to process evictions, although [local laws](#) could still prevent delinquent tenants from being displaced. More than [1,600 Californians](#) have already been evicted during the pandemic in spite of the moratorium, and that number is likely a significant undercount. The problem is not limited to California: Nearly [one-third](#) of all American renters had unpaid housing bills at the start of August.

The 30-year fixed-rate mortgage remained below [3 percent](#) last week, and lending giant [United Wholesale Mortgage](#) announced a loan program offering rates as low as 1.99 percent. But mortgage financing is about to become more expensive, with [Fannie Mae and Freddie Mac](#) announcing they are raising fees on most refinances, which will add 0.5 percent of the loan amount to the [consumer's cost](#).

[Homebuilder sentiment](#) has jumped to a record high, although soaring lumber prices may dampen that enthusiasm. And Redfin has reported greater buyer interest in [rural areas](#).

Sources: C.A.R., KQED, Multifamily Executive, The Mercury News, REALTOR® Magazine, CNBC, Redfin

## **Around the State: Calif. hits 600k cases, top health official resigns**

Last Thursday, California became the first state to surpass [600,000](#) COVID-19 cases. As of yesterday at 10:01 p.m., cases in California numbered [640,290](#) and deaths had hit 11,527. California has the highest number of coronavirus cases in the country, ahead of Florida, Texas and New York.

Last week, Dr. Sonia Angell stepped down as director of the California Department of Health, a sudden departure that adds to the [increasingly long list of top health officials](#) who have left over the last year. Angell's departure was likely related to

the [massive data error](#) in a system overseen by her department that caused the state to underreport more than a quarter of a million coronavirus tests. Newsom [announced last Friday](#) that the backlog has cleared and the complete data shows cases are trending downward, as are [hospitalizations](#).

On Sunday, [Los Angeles Unified School District](#) announced an ambitious testing and contact tracing program for all students, staff and their families aimed at paving the way for reopening — although no date has been set yet for reopening. Last week, [Stanford](#) scrapped its plans to bring fewer than half its 7,000 undergraduates back to campus in the fall, becoming one of the last Bay Area universities to switch to nearly all-remote learning.

Also, residents in [Lake Tahoe](#) are protesting the tourists who continue to travel to the region, and [Alcatraz](#) has reopened to visitors after a five-month closure.

Sources: The New York Times, Los Angeles Times, ABC 7 News, The Mercury News, The San Francisco Chronicle

## **Health Check-Up: Regular masks don't protect against wildfire smoke**

With [wildfire season](#) ramping up, health experts warn that smoke can irritate your lungs, cause inflammation and make it easier for you to catch COVID-19. A mask intended to protect against the spread of COVID-19 will likely offer no safety from smoke, the particles from which are small enough to slip through most masks. The CDC encourages those experiencing smoke from wildfires is to stay indoors and seek spaces with cleaner air, for instance by using a portable air cleaner. Yesterday, in response to the many fires blazing across California, Governor Newsom declared a [statewide emergency](#), mobilizing the national guard.

With temperatures heating up, it's important to remember that [congregating indoors](#) in the air conditioning does represent a more significant risk than outdoor gatherings. There is generally less ventilation indoors and more opportunity to spread disease. Plus, the air

conditioner can create strong enough currents to move virus-containing droplets around the room, which can render keeping six feet apart ineffective.

The recent heatwave has caused millions of Californians to lose power from [rolling blackouts](#). Due to the pandemic, cities and counties have had to rethink how they operate [cooling centers](#), which often attract the elderly and people with underlying health conditions.

A new study has found that [obesity](#) does not appear to be independently associated with increased risk of dying from the coronavirus for women — but it is an independent risk factor for men. This could result from the differences between how men and women carry weight, with men tending to have more visceral abdominal fat.

Sources: The Fresno Bee, NPR, The New York Times, Vox, Los Angeles Times



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