



CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

March 10, 2021

Welcome to the 52nd 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 updated our FAQs on [SBA Loans for Agents](#) and [SBA Loans for Brokers](#).

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The Economy & Your Finances: Congress nearing passage of \$1.9 trillion stimulus package

The House of Representatives is voting today on a \$1.9 trillion COVID relief bill. The Senate voted 50-49 to approve the plan on Saturday following a [24-hour debate](#). If passed, individuals making up to \$75,000 and married couples making up to \$150,000 would receive [stimulus checks](#) of \$1,400 per person. The payments would gradually decrease for incomes above those levels and

disappear entirely for those individuals making at least \$80,000 and married couples making at least \$160,000.

The bill would also extend the \$300-per-week federal unemployment supplement through early September. President Biden initially proposed increasing this amount to \$400 per week, but the Senate moved to keep it at \$300 per week. And it will waive federal income taxes for the first \$10,200 of unemployment benefits received in 2020 for households earning under \$150,000. The bill will also provide more than \$20 billion in [rental assistance](#), expand the child tax credit and provide funding for vaccine distribution and schools.

The Biden administration has published [new regulations](#) and [application forms](#) that allow sole proprietors and independent contractors to be eligible for larger PPP loan amounts. Now, sole proprietors and independent contractors can base their loan amount on gross income rather than net profit. This applies for both first and second draw PPP loans. SBA is implementing this change only with respect to PPP loans that are approved after the effective date of the rule (March 3). A borrower whose PPP loan was already approved as of March 3 cannot increase its PPP loan amount based on the new calculation methodology.

California's Office of the Small Business Advocate (CalOSBA) announced new funding rounds for the [California Small Business Relief Grant Program](#). From March 5 to March 11, CalOSBA will award grants to waitlisted businesses that applied during the previous application rounds, but new applications will not be accepted during this round. From March 25 to March 31, there will be another application round where businesses that have not yet applied for a grant will be permitted to apply. If you have already applied, you should not apply during subsequent application rounds because your prior application will automatically be moved to the next round if you didn't receive funding during a previous round.

Nationwide hiring sped up in February, with the U.S. economy adding [379,000 new jobs](#) — the biggest increase in four months. At the same time, initial unemployment claims rose nationwide. Meanwhile in [California](#), initial unemployment claims dropped beneath 100,000 for the second straight week.

The EDD continues to combat fraud in the unemployment and PUA benefits program. It has set up a designated phone line and online reporting system for anyone who gets a 1099-G form with inaccurate report of benefits and believes identity theft was involved. Anyone who has received a 1099-G form from the EDD that's inaccurate due to suspected identity theft should immediately report this as fraud by contacting the EDD at (800)229-6297 or submitting a [Fraud Reporting Form online here](#).

Sources: NPR, The New York Times, Market Watch, The Orange County Register, CNBC, California Employment Development Department

The Market & Industry: Buyer demand remains strong

California home sales remained on an [upward trend](#) during the first week of March. Growth is expected to accelerate as we approach the one-year anniversary of the first COVID lockdown in California, where home sales began to drop off last year. Preliminary data suggests a double-digit increase in the number of PEAD forms filed in February versus January, indicating strong buyer demand. Meanwhile, [mortgage demand stalled](#) following a modest hike in interest rates.

A new study by the California Policy Lab revealed a 30 percent increase in people [moving out of San Francisco](#) compared to 2019. For many, COVID and the sudden availability of remote work accelerated their decision to move. The Bay Area exodus, fueled by high home prices and not enough housing to meet demand, has fired up housing markets in the [Central Valley](#).

Around the State: California gearing up to reopen

California has vaccinated over [10 million people](#), more than any other state in the nation and more than all but six countries in the world. Cases and hospitalizations have declined over the past several weeks. As of last night at 10:09 p.m., the statewide average for ICU bed availability was 26.7 percent, and the state is averaging a 2.8 percent positivity rate for tests. Cases in California numbered 3,585,691, deaths had reached 54,621, and 10,628,752 people have received vaccinations.

As cases and hospitalizations decline, California is [gearing up to reopen](#). Last Wednesday, California officials announced they will be reserving 40 percent of vaccination doses for California's [most vulnerable populations](#), a decision born from mounting evidence that Latinx and Black communities are not accessing vaccinations at the same rate as white and Asian communities. Once 2 million people across 400 Zip Codes in the most disadvantaged communities are vaccinated, California will relax the threshold by which a county can move out of the most restrictive purple tier on the [Blueprint for a Safer Economy](#).

[Outdoor sports and concert venues, as well as amusement parks](#), will be allowed to reopen with restrictions beginning on April 1. Outdoor events will be limited to 100 people or less in the purple tier, 20 percent capacity with reserved seating and no concessions in the red tier, 33 percent capacity in the orange tier and 67 percent capacity in the yellow tier. Amusement parks will be permitted to operate at 15 percent capacity in the red tier, 25 percent in orange and 35 percent in yellow.

Amidst these reopening efforts, experts caution that because California is still far away from achieving herd immunity, residents should continue to wear masks and social distance to avoid a [potential fourth wave](#).

Sources: The Mercury News, Associated Press, Los Angeles Times

Health Check-Up: CDC okays mask-free indoor gatherings for the fully vaccinated

The CDC released [interim public health recommendations](#) on Monday for people who have been fully vaccinated. According to the guidance, people who have been fully vaccinated [may gather indoors](#) with others who have been fully vaccinated without needing to wear masks. They may also visit with unvaccinated people from a single household who are at low risk for severe COVID-19 disease indoors without wearing masks or physical distancing. However, fully vaccinated people should still take precautions like wearing a mask and social distancing while in public.

[This Los Angeles Daily News article](#) breaks down the various different coronavirus strains currently circulating in California. A recent study suggested the Moderna and Pfizer-BioNTech vaccines are significantly less effective against the [South Africa variant](#) in particular.

New guidance from the California Department of Public Health urges Californians to [wear two](#) masks in public settings as extra protection against the spread of the coronavirus. Experts recommend wearing a cloth mask on top of a surgical or disposable mask.

Sources: U.S. Centers for Disease Control and Prevention, CNBC, Los Angeles Daily News, Business Insider, Los Angeles Times



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