Welcome to the eighth issue of C.A.R.’s newsletter recapping the last week’s worth of news on the coronavirus outbreak in California. Before we get started on the news, we want to make sure you’re caught up on the new resources we’ve put out in the past week to help our members through this crisis:

- Within hours of applications for Pandemic Unemployment Assistance (PUA) opening to California independent contractors, we released step-by-step instructions on how to apply for PUA through the California Employment Development Division (EDD). This 35-page guide walks you through exactly how to apply for assistance.

- We updated Forms CVA, PEAD and PEAD-LR, which you can find on our COVID Legal Documents page. The updated versions of these forms are also now in zipForm®. Be sure you are always using the most recent forms available rather than relying on a form you have saved that may have since been updated.

- We’ve continued to update our Relief FAQ for Agents and Relief FAQ for Brokers with new information on loan programs from the U.S. Small Business Administration (SBA) as well as California’s rollout of Pandemic Unemployment
Assistance (PUA).

- Check out this brief video on the types of financial assistance programs you may be eligible for.

- You can find recordings of last week’s webinars on applying for Pandemic Unemployment Assistance (PUA) on the webinars page of the C.A.R. coronavirus microsite. You can also check out and register for next week’s webinars.

- Yesterday, C.A.R.’s brand new advertising campaign saluting the resilient spirit of California started airing on ABC. We hope this message of hope and inspiration will resonate with you and that you will share these ads with your networks.

- If you’ve successfully applied for and received financial assistance through the PPP or PUA programs, we'd love to hear from you! Please send an email to CREeditor@car.org and let us know how long the process took for you.

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The Economy & Your Finances: PUA Application rollout mired by glitchy system

Last Tuesday, April 28, the California Employment Development Division (EDD) began accepting applications for Pandemic Unemployment Assistance (PUA) from independent contractors and the self-employed. The highly anticipated rollout was far from smooth, as an onslaught of tech glitches with the UI Online portal repeatedly logged applicants out as they tried to file for financial help. More than 190,000 applications for PUA were
submitted on April 28 alone.

If technical issues have prevented you from filing for PUA, remember that if you qualify, benefits are retroactive: Depending on when you became directly impacted by the pandemic, the base PUA benefit is retroactive to as early as the week starting February 2, 2020, and the $600 additional per week benefit is retroactive to claims starting as early as March 29, 2020. This means you will not lose out on benefits if it takes longer for your claim to be accepted. Therefore, C.A.R. encourages applicants to continue working with the UI Online system rather than submitting a claim by fax.

C.A.R. has created detailed step-by-step instructions, complete with screenshots, on exactly how to file a PUA claim using the UI Online system. If you have additional questions, you can call C.A.R.’s COVID Relief Hotline at 213-351-8450 for live support between 8:30 a.m. and 4:45 p.m. and text support 24/7, or email covidreliefhotline@car.org.

As of this past Sunday, an additional $175 billion worth of loans had been distributed through the U.S. Small Business Administration’s Paycheck Protection Program (PPP) — over half of the program’s $310 billion replenishment signed into law two weeks ago. The remainder of PPP funds are expected to be expended very quickly. C.A.R. encourages REALTORS® to consult with their accountant as soon as possible to determine whether they should apply for these funds.

While the PPP was designed to help small businesses stay afloat during the coronavirus pandemic, many have pointed to the loopholes that have allowed large, publicly traded companies to obtain loans. To deter these large companies from applying for loans meant for smaller businesses, U.S. Treasury Secretary Steven Mnuchin has said companies receiving loan amounts greater than $2 million will be subject to full audits. And to better protect smaller companies, $60 billion of the $310 billion PPP replenishment was set aside for community banks, credit unions, and community development financial institutions that can better serve smaller businesses and minority-owned firms.
While the Economic Injury Disaster Loan (EIDL) program was also replenished in the last round of stimulus funding, the SBA is not currently accepting new EIDL applications because it is still busy processing applications submitted before the program’s funding ran out. Applications that have already been submitted will continue to be processed on a first-come, first-served basis.

Meanwhile, the need for these financial assistance programs is only increasing. Over 30 million Americans have filed for unemployment since the coronavirus hit; in California, one of every five workers has lost their job. Encouragingly, though, the increases in the number of Americans filing for employment each week are getting smaller.

The Bureau of Economic Analysis reported last week that U.S. GDP shrank by 4.8 percent in the first quarter, the biggest contraction since the financial crisis. And consumer confidence plunged in April, which is especially significant given that consumer spending drives around 70 percent of all economic activity in the United States.

Sources: Los Angeles Times, California Employment Development Division, CNN, U.S. Small Business Administration, National Public Radio, Inc., C.A.R. Research & Economics, The Orange County Register, CNBC

The Market & Industry: California market starting to show signs of life

Last week, new listings increased in the Bay Area, Southern California and the Central Valley; numbers stayed flat in the Central Coast. Still, new listings and pending sales remain depressed compared to pre-pandemic levels, and any recent upticks have been very modest. Consequently, sales are expected to remain weak for the next few weeks.

Business is still getting done, with many REALTORS® reporting no delays in closings according to a recent survey conducted by the National Association of REALTORS®. And nationwide mortgage applications saw a 12 percent uptick last week,
indicating home buyer confidence may be returning. Redfin has reported that in many areas, new listings are struggling to keep pace with demand, prompting well-priced homes to sell very quickly.

According to a recent Harris Poll, nearly a third of Americans are considering moving to a less densely populated area, suggesting a coming influx of real estate activity in the suburbs. This push for lower-density living could bode ill for California’s affordable housing crisis, for which increasing density has long been touted as one of the only possible cures.

With many Americans concerned about their ability to pay rent, a nationwide “Cancel the Rent” movement has emerged, with rent strike protests popping up in Los Angeles, San Diego and San Francisco. Landlords, many of whom are mom-and-pop shops, not big corporations, have pushed back saying landlords need relief, too.

The California Department of Real Estate (DRE) has canceled all real estate exams through May 16, 2020. Affected examinees will be allowed to reschedule their exams using the DRE’s eLicensing system, and rescheduling fees will be waived. The DRE encourages you to call 877-373-4542 or email ask.drelicensing@dre.ca.gov with any questions.


Around the State: Tensions mount over when to reopen

Last week, Governor Newsom released a phased plan for reopening California:

- Stage 1: Staying home and working on flattening the curve.
- Stage 2: Lifting some restrictions on lower-risk workplaces, like manufacturing, retail and offices where telecommuting is feasible, as well as childcare facilities.
• Stage 3: Reopening personal care businesses like gyms, spas and salons, as well as sports without live audiences.
• Stage 4: Ending the stay-at-home order and reopening the highest-risk parts of the economy, including concerts, convention centers and sports with live crowds.

Yesterday, Newsom announced that the second stage — reopening some retail stores across the state with modifications — can begin as early as this Friday.

Even with some businesses beginning to reopen, Newsom has estimated California is months away from Stage 3. And he is facing mounting pressures to reopen the state well in advance of this timeline. Although approximately 70 percent of Californians approve of Newsom and the way he is handling the pandemic, crowds of several hundred protestors have continued to gather demanding the stay-at-home order be lifted. Tensions are particularly high in Orange County, where Governor Newsom ordered beaches be shut down last Thursday after huge crowds gathered there the previous weekend. Yesterday, state officials announced that beaches in San Clemente and Laguna Beach would be allowed to reopen.

Meanwhile, several cities and counties are beginning to ease their own restrictions: the Bay Area has resumed gardening, landscaping and some outdoor activities; Sacramento County has extended its public health order to May 22 but eased restrictions on non-contact recreational activities like tennis courts and archery ranges; and Los Angeles' revised “safer at home” order has allowed home showings to resume with no more than two visitors, in addition to the showing agent, in the unit at a time.

Newsom has also indicated that the 2020-2021 school year could start as early as July to address the learning loss brought on by the pandemic thus far. Yesterday, Los Angeles Mayor Eric Garcetti announced that the Los Angeles school year will resume on August 18, whether or not physical school buildings are open.

Even so, achieving widespread diagnostic testing — which will be key to a safe reopening — has been a muddled process, with different counties and cities testing at different rates. Currently California as a whole is testing around 25,000 people a day; Newsom
wants to raise that number to between 60,000 and 80,000. And as of yet, California has not enlisted its pharmacies to test for coronavirus, as other states have. California has changed its guidelines such that it now considers every single resident with symptoms to be high priority for testing, not just those in high-risk groups, and says those who work in high-risk settings like grocery stores should be tested routinely. Last week, Los Angeles became the first county in the country to offer COVID-19 testing for every resident.

In California as of this morning at 8:52 a.m., cases numbered 56,306 and deaths had hit 2,294. While cases are dropping in the Bay Area, they continue to rise in Los Angeles. California as a whole has dropped to fifth-largest outbreak in the country, behind New York (318,953), New Jersey (129,269), Massachusetts (69,087) and Illinois (63,777).

Sources: CNN, Los Angeles Times, CAL Matters, Mercury News, Sacramento County, City of Los Angeles, National Public Radio, The San Francisco Chronicle

Health Check-Up: New drug shows promise, debate on vaccine timeline continues

An experimental drug, remdesivir, is being touted as the first effective treatment against the coronavirus. While the World Health Organization (WHO) has declined to comment on claims of the drug’s success, noting that further data is needed, Dr. Anthony Fauci — head of the National Institutes of Allergy and Infectious Diseases — has called the drug promising and says there’s proof it can diminish recovery time from COVID-19. On Sunday, the CEO of Gildead, the company that created remdesivir, announced it had donated its entire supply of the drug to the U.S. government with the hopes of distributing it to patients as soon as possible.

It’s important to note that remdesivir does not prevent contraction of the virus, but rather eases recovery for those who have already contracted it. To protect people from contracting the virus in the first place will require a vaccine, and scientists continue to debate the likelihood that a vaccine will be ready within the year. A professor at Oxford University is working on a vaccine he says could show efficacy by early June, while
others caution **there exist viruses for which we have never been able to develop successful vaccines**, like HIV.

Just as work and social gatherings have gone virtual, so too has an important fixture of mental health treatment: therapy. NPR has a guide for [how to get therapy when you can’t leave the house](https://www.npr.org), and Business Insider has suggestions for [getting the most out of your visual therapy sessions](https://www.businessinsider.com).


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