



## CALIFORNIA CORONAVIRUS WEEKLY RECAP

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

March 3, 2021

Welcome to the 51st issue of the California Coronavirus Weekly Recap newsletter. Before we get started with this week's news, we want to make sure you've had a chance to see the new [January Home Sales and Price Report](#).

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### The Economy & Your Finances: \$1.9 trillion stimulus package passes House, heads to Senate

The Senate takes up President Biden's [\\$1.9 trillion stimulus package](#) this week, following a house vote early Saturday morning. As it currently stands, the bill includes [\\$1,400 direct payments](#) to individuals earning an adjusted gross income of up to \$75,000 (and married couples earning up to \$150,000), with those earning above those thresholds receiving smaller payments. This morning,

President Biden signed off on a [Senate proposal](#) to disqualify individuals earning over 80,000 (and couples earning over 160,000) from receiving checks altogether. The bill also includes funds for vaccine distribution, PUA extension, rental assistance and more aid for small businesses.

Democratic lawmakers hope to pass the bill by [March 14](#), which is when current unemployment aid programs are set to expire.

Last week, Governor Newsom signed California's own [\\$7.6 billion stimulus package](#) that will send \$600 payments to some 5.7 million Californians earning less than \$30,000 a year. Those deemed eligible to receive the payment should expect a check four to five weeks after filing their taxes.

New California [unemployment claims fell sharply](#) last week, falling below 100,000 for the second time since the government-ordered shutdowns began last March. However, questions remain as to the accuracy of these numbers, as the California Employment Development Department (EDD) has been mired in fraudulent claims and has had trouble distinguishing real claims from fraudulent ones.

Small businesses with fewer than 20 employees (including sole proprietors and independent contractors) have [one week remaining](#) of their exclusive two-week window to apply for Paycheck Protection Program (PPP) loans. The Biden administration says it hopes the exclusive window will offer smaller businesses a speedier application process. The Biden administration has also announced that sole proprietors, independent contractors, and the self-employed can use a new formula to calculate their maximum PPP loan amount, which could lead to increased funding for many of these borrowers. The new formula will only go into effect once the SBA releases regulations explaining the policy, so potential applicants may want to hold off on applying for a loan until those regulations are published (which is expected to happen this week).

## The Market & Industry: Interest rates rise, market slows somewhat

A [rise in interest rates](#) caused the [market to slow somewhat](#) over the past two weeks, although interest rates do remain very low by historical standards. Preliminary figures from MLSs across the state show that California home sales grew by more than 15 percent on a year-to-year basis in February. Even so, for the first time since the housing market recovery turned the corner on an annualized basis back in July, the number of existing single-family home sales declined on a year-to-year basis during the final week of February. This ends a 34-week consecutive streak of growing home sales.

According to a new study research from Zillow, a large majority of homeowners (70 percent) say they would be [mostly or completely comfortable moving to a new home](#) with widespread COVID-19 vaccine distribution, compared to about half (52 percent) who currently feel that way. This research could indicate that as vaccinations grow more widespread, the upcoming summer homebuying season could intensify.

Sources: Bankrate, C.A.R. Research & Economics, Zillow

## Around the State: Deal reached to reopen schools

Although California's [case numbers](#) are continuing to fall nationwide, February marked the [second-deadliest month](#) of the pandemic with 11,280 deaths statewide. As of last night at 9:42 p.m., the statewide average for ICU bed availability was 25.2 percent, and the state was averaging a 3.7 percent positivity rate for tests. Cases in California numbered 3,556,025, deaths had reached 52,796, and 9,313,719 people have received vaccinations.

Still, as more counties move to less [restrictive tiers](#) on [California's Blueprint for a Safer Economy](#) health experts warn that the drop in cases is [beginning to plateau](#). This has some, including CDC Director Rochelle Walensky, worried about an impending [new wave](#) of cases.

On Monday, Governor Newsom and Democratic legislative leaders [announced a deal](#) to give school districts \$2 billion in incentives to open schools for students in transitional kindergarten through second grade by April 1. This would apply for all counties, even those in the purple (most restrictive) tier. Once counties move into the [red tier](#), schools eligible for the grant funding must open to all elementary grades, plus at least one grade in middle and high school. If schools do not open by the end of March, they will start to lose a percentage of money for each day they remain closed starting April 1.

Sources: The Mercury News, Los Angeles Times, Politico, California Department of Public Health

## Health Check-Up: FDA authorizes Johnson & Johnson vaccine

On Saturday, the FDA issued emergency-use authorization to the [Johnson & Johnson COVID 19 vaccine](#). The Johnson & Johnson vaccine is the third to be authorized by the FDA, and Johnson & Johnson shipped its [first batch](#) of doses to states and pharmacies on Monday. Unlike the Moderna and Pfizer-BioNTech vaccines, the Johnson & Johnson vaccine requires [one single dose](#) and does not require storage in a specialized freezer, which could make for a speedier rollout.

On Monday, CDC Director Rochelle Walensky warned that with the decline in cases slowing and the existence of multiple highly contagious variants, the [United States could be in danger of losing the progress it has made](#) over the past few months.

Sources: U.S. Food and Drug Administration, CNN, ABC News, NPR



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