



MEMORANDUM

TO: CITY COUNCIL

FROM: Mayor Libby Schaaf

SUBJECT: Covid-19 State and Federal Actions **DATE:** March 12th, 2020

INFORMATION

This memo is to provide an update on actions taken at the State and Federal level in response to Covid -19. The situation is changing quickly and we will provide you with further updates as they arise.

City staff is exploring ways to mitigate economic impacts with a focus on small businesses, vulnerable workers and non-profits. We are also working with private philanthropy to explore ways to provide assistance to workers and small businesses.

State

Governor Gavin Newsom today issued a new executive order further enhancing California's ability to respond to the COVID-19 pandemic.

The Governor's order:

- Waives the one-week waiting period for unemployment insurance and/or disability insurance for people who are unemployed and/or disabled as a result of COVID-19;
- Delays the deadline for state tax filing by 60 days for individuals and businesses unable to file on time based on compliance with public health requirements related to COVID-19 filings and allows flexibility to provide individuals and businesses impacted by compliance with public health requirements related to COVID-19 extensions for filing, payment, audits, billing, notices, assessments, claims for refund, and relief from subsequent penalties and interest.
- Directs residents to follow public health directives and guidance, including to cancel large non-essential gatherings that do not meet state criteria;
- Non-essential gatherings must be limited to no more than 250 people, while smaller events can proceed only if the organizers can implement social distancing of 6 feet per person.

- Gatherings of individuals who are at higher risk for severe illness from COVID-19 should be limited to no more than 10 people, while also following social distancing guidelines.
- Readies the state to commandeer property for temporary residences and medical facilities for quarantining, isolating or treating individuals;
- Allows local or state legislative bodies to hold meetings via teleconference and to make meetings accessible electronically; and
- Allows local and state emergency administrators to act quickly to protect public health.

The full text of the Executive Order is attached. The press release is linked here:

<https://www.gov.ca.gov/2020/03/12/governor-newsom-issues-new-executive-order-further-enhancing-state-and-local-governments-ability-to-respond-to-covid-19-pandemic/>

Federal

Several days ago, Congress voted to approve \$8.3 Billion in emergency funding to help speed the development of vaccines, bolster access to testing and treatments, and expand access to telemedicine services. H.R. 6074, Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 was signed into law by the President and included funding for:

- \$1 billion to administer up to \$7 billion in Small Business Administration loans
 - The SBA will work directly with state Governors to provide targeted, low-interest loans to small businesses and non-profits that have been severely impacted by the Coronavirus (COVID-19). The SBA's Economic Injury Disaster Loan program provides small businesses with working capital loans of up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue they are experiencing.
 - These loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact. The interest rate is 3.75% for small businesses without credit available elsewhere; businesses with credit available elsewhere are not eligible. The interest rate for non-profits is 2.75%.
 - More info here: <http://www.oesnews.com/sba-to-provide-small-businesses-impacted-by-coronavirus-covid-19-up-to-2-million-in-disaster-assistance-loans/>
- \$2.2 billion for the CDC to support public health agencies at the federal, state and local levels
 - Of that, \$1 billion for state and local governments (will likely go through the state first, then to local governments – more info to come)
 - Roughly half of that money, \$475 million, will be available immediately within the next 30 days.
 - Available to reimburse:
 - surveillance for coronavirus;

- laboratory testing to detect positive cases;
 - contact tracing to identify additional positive cases;
 - infection control at the local level to prevent additional cases;
 - migration in areas with person-to-person transmission to prevent additional cases;
 - other public health preparedness and response activities
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- \$300 million to replenish the Infectious Diseases Rapid Response Reserve Fund, which supports immediate response activities during outbreaks.
 - \$300 million for global disease detection and emergency response
 - \$1 billion for procurement of pharmaceuticals and medical supplies, to support healthcare preparedness and Community Health Centers, and to improve medical surge capacity

The supplemental also includes –

- A general provision to reimburse State or local costs incurred for coronavirus preparedness and response activities between January 20 and the date of enactment of this emergency supplemental (March 6th, 2020).
- A proviso to allow funds to be used for construction or renovation of facilities to improve preparedness and response capabilities at the State and local level.

In addition, House leadership introduced H.R. 6201 Families First Coronavirus Response Act to provide billions for paid sick leave, nutrition aid, expanded unemployment insurance and other measures. The bill is expected to pass the House today.

Key Bill Provisions:

- New Paid Leave Program: The bill creates an emergency paid leave program through the Social Security Administration for people who have a diagnosis, have been quarantined, are caring for someone who is quarantined, or are caring for someone who is unable to care for themselves, such as a child whose school has been closed.
 - They would take 14 days or more off work and would receive two-thirds of their average monthly pay, with a \$4,000 cap
 - Eligibility starts Jan. 19, 2020, and would run for a year after enactment. Benefits would be available retroactively
- \$1 Billion in Unemployment Insurance Grants: The bill provides \$1 billion in unemployment insurance grants, including \$500 million in grants to states that experience a 10% increase in the number of people that are unemployed and \$500 million for administrative costs.
- Fast Medicaid Funds: The bill would increase the federal reimbursement to states to encourage them to expand Medicaid eligibility to low-income individuals.

- The measure, similar to a provision in the 2009 stimulus (Public Law 111-5), is a fast way to get money to states and give them incentives to expand Medicaid coverage.
- Nutrition Measures: The bill would suspend work requirements for Supplemental Nutrition Assistance Program (SNAP) recipients. The bill would also provide funding for USDA programs such as:
 - \$500 million for the Special Supplemental Nutrition Program for Women, Infants and Children
 - \$400 million for the Emergency Food Assistance Program
 - \$100 million in nutrition assistance grants for Puerto Rico, the Northern Mariana Islands, and American Samoa
 - Enough funds to provide benefits up to the value of meals for households with a child in a school that closes for at least five consecutive days due to a public health emergency
 - Enough funds, if necessary, for the secretary of the Agriculture Department to purchase commodities for emergency distribution
 - An additional \$250 million for the Senior Nutrition Program in the Administration for Community Living to provide about 25 million additional home-delivered meals to low-income seniors is also included.
- OSHA Plan for Health Care Workers: The bill would direct the Occupational Safety and Health Administration to require health care employers to develop an infectious disease exposure control plan within 30 days to protect workers from the virus.

Additional info on Coronavirus: As of Mar 2, 2.5 million test kits had been disbursed, and 3 million more kits are being delivered by the end of this week. Those over 65 or those with chronic diseases that affect immune system are more vulnerable and will have more severe symptoms. Children with lung issues are also more vulnerable as well. The federal government is encouraging healthy people to keep donating blood, as there is a shortage.

Respectfully submitted,



MAYOR LIBBY SCHAAF

For questions, please contact Elinor Buchen, Deputy Chief of Staff, 510-238-7439 or ebuchen@oaklandca.gov

HONORABLE MAYOR AND CITY COUNCIL

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Attachments:

- Executive Order N-25-20