

COVID-19 UPDATE



IMMEDIATE ASSISTANCE FOR BUSINESSES IMPACTED BY COVID-19 INCLUDING TEMPORARY TAX RELIEF AND \$500 MILLION IN GRANTS

Yesterday afternoon, Governor Gavin Newsom announced additional efforts to provide immediate assistance for California businesses in the midst of the COVID-19 pandemic. Some of these relief efforts, based off recommendations made by the Governor's Task Force on Business and Jobs Recovery, include:

Tax Relief for Businesses Impacted by COVID-19

Earlier this year, Governor Newsom signed an Executive Order allowing taxpayers to apply for penalty and interest relief for 90 days for any taxpayer reporting less than \$1 million in sales on their tax return. Through November 22nd, some 9,287 plans with almost \$149 million in tax relief have taken advantage of this program.

The Governor will direct the California Department of Tax and Fee Administration to do the following:

- Provide an automatic three-month extension for taxpayers filing less than \$1 million in sales tax on the return and extend the availability existing interest and penalty free payment agreements to companies (with up to \$5 million in taxable sales)
- Broaden opportunities for more businesses to enter into interest-free payment arrangements.
- Expand interest-free payment options for larger businesses particularly affected by significant restrictions on operations based on COVID-19 transmissions.

\$500 Million for New COVID Relief Grant for Small Business

The Governor announced the creation of a \$500 million COVID Relief Grant administered by the California Office of the Small Business Advocate (CalOSBA) at the Governor's Office of Business and Economic Development for small businesses that have been impacted by COVID and the health and safety restrictions.

Funds would be awarded to selected intermediaries with established networks of Community Development Financial Institutions to distribute relief through grants of up to \$25,000 to underserved micro and small businesses throughout the state by early 2021. Non-profits would also be eligible for these grants. CalOSBA is establishing the program and will make it available to small businesses as soon as possible - for updates on availability visit [here](#).

Increase Funding for the California Rebuilding Fund by \$12.5 Million

Last week, the Governor announced the opening of the California Rebuilding Fund which makes available \$25 million to help impacted small businesses rebuild from the economic crisis and keep local economies strong. This program is built to be a resource in the market for the next year as businesses pivot and recover.

An increase of \$12.5 million, bringing the total investment to \$37.5 million, would allow the Fund to be fully capitalized. The additional funding will help the 3rd party administrator of the fund raise \$125 million to make more low-interest loans to small businesses with less access to loans from traditional banking institutions.

Today's announcements build on the state's ongoing business support throughout the pandemic, including the Main Street Hiring Tax Credit, which authorizes \$100 million in hiring tax credit for qualified small businesses. The credit is equal to \$1,000 per qualified employee, up to \$100,000 for each small business employer. The application opens today, December 1. A full list of existing state support for businesses can be found [here](#). To view Governor Newsom's press release, click [here](#).

CFAP 2 APPLICATION DEADLINE APPROACHING

The deadline for the U.S. Department of Agriculture (USDA) Coronavirus Food Assistance Program 2 (CFAP) program is **December 11th**.

CFAP 2 payments will provide eligible producers with financial assistance that gives them the ability to absorb some of the increased marketing costs associated with the COVID-19 outbreak. USDA has incorporated improvements in CFAP 2 based on stakeholder engagement and public feedback to better meet the needs of impacted farmers and ranchers.

Additional commodities are eligible in CFAP 2 that were not included in the first round of the program. CFAP 2 payments will be made for three categories of payment calculations:

- Sales Commodities, including specialty crops, tobacco, and aquaculture, use a sales-based approach, where producers are paid based on five payment gradations associated with their 2019 sales.
- Price trigger commodities, including row crops, livestock, and dairy, are major commodities that meet a minimum 5-percent price decline from January through July.
- Flat-rate row crops that do not meet the 5-percent price decline trigger or do not have data available to calculate a price change will have payments calculated based on eligible 2020 acres multiplied by \$15 per acre.

Apples have been included in CFAP 2. A complete list of eligible commodities, payment rates and calculations can be found on www.farmers.gov/cfap.

Producers can apply for assistance through USDA's Farm Service Agency (FSA). Customers seeking one-on-one support with the CFAP 2 application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance. This is a recommended first step before a producer engages with the team at the FSA county office. More information can be found at www.farmers.gov/coronavirus. **Please notify the CAC office if you plan to or have already applied for the CFAP 2 program so that we can communicate our industry's participation level with local government representative contacts.**

STANDARDS BOARD UNANIMOUSLY ADOPTS EMERGENCY TEMPORARY STANDARDS TO PROTECT WORKERS FROM COVID-19

The Department of Industrial Relations' (DIR) Occupational Safety and Health Standards Board unanimously adopted emergency temporary standards to protect workers from hazards related to COVID-19. The emergency standards will be in effect immediately if approved by the Office of Administrative Law in the next 10 calendar days. The temporary standards apply to most workers in California not covered by Cal/OSHA's Aerosol Transmissible Diseases standard. Under the new regulations, employers must have a written COVID-19 Prevention Plan that addresses the following:

- System for communicating information to employees about COVID-19 prevention procedures, testing, symptoms and illnesses, including a system for employees to report exposures without fear of retaliation.
- Identification and evaluation of hazards – screening employees for symptoms, identifying workplace conditions and practices that could result in potential exposure.
- Investigating and responding to cases in the workplace – responding immediately to potential exposures by following steps to determine who may have been exposed, providing notice within one business day about potential exposures, and offering testing to workers who may have been exposed.
- Correcting COVID-19 hazards – including correcting unsafe conditions and work practices as well as providing effective training and instruction.
- Physical distancing – implementing procedures to ensure workers stay at least six feet apart from other people if possible.
- Face coverings – providing face coverings and ensuring they are worn.
- Adopting site-specific strategies such as changes to the workplace and work schedules and providing personal protective equipment to reduce exposure to the virus.
- Positive COVID-19 case and illness recording requirements and making the COVID-19 Prevention Plan accessible to employees and employee representatives.
- Removal of COVID-19 exposed workers and COVID-19 positive workers from the workplace with measures to protect pay and benefits.
- Criteria for employees to return to work after recovering from COVID-19. Requirements for testing and notifying public health departments of workplace outbreaks (three or more cases in a workplace in a 14-day period) and major outbreaks (20 or more cases within a 30-day period). Specific requirements for infection prevention in employer-provided housing and transportation to and from work.

The Standards Board will file the rulemaking package today with the Office of Administrative Law, which has 10 calendar days to review and approve the temporary workplace safety standards enforced by Cal/OSHA. Once approved and published, the full text of the adopted emergency standards will appear in the new Title 8 sections 3205 (COVID-19 Prevention), 3205.1 (Multiple COVID-19 Infections and COVID-19 Outbreaks), 3205.2 (Major COVID-19 Outbreaks) 3205.3 (COVID-19 Prevention in Employer-Provided Housing) and 3205.4 (COVID-19 Prevention in Employer-Provided Transportation to and from Work) of the California Code of Regulations. Pursuant to the state's emergency rulemaking process, after an initial effective period the board will have two opportunities to readopt the temporary standards.

Cal/OSHA will expeditiously convene a stakeholder meeting that will include industry and labor representatives to review the requirements of the emergency regulation and solicit feedback and recommend updates. The Occupational Safety and Health Standards Board, a seven-member body appointed by the Governor, is the standards-setting agency within the Cal/OSHA program. The Standards Board's objective is to adopt reasonable and enforceable standards at least as effective as federal standards. The Standards Board also has the responsibility to grant or deny applications for variances from adopted standards and respond to petitions for new or revised standards. The new Cal/OSHA standards are expected to go into effect by the end of the month. For more information, please visit: <https://www.dir.ca.gov/oshsb/COVID-19-Prevention-Emergency.html>