



March 20, 2020

# What Does California's Stay-At-Home Order Mean for My Business?

On March 19, 2020, California Gov. Gavin Newsom issued [Executive Order N-33-20](#) and ordered all individuals living in the state of California to stay at home or their place of residence except as needed to maintain continuing operation of the federal [critical infrastructure sectors as designated by the Cybersecurity and Infrastructure and Security Agency](#) (CISA). The order is effective immediately and its duration is indefinite. It also reserves to the governor the right to designate additional sectors as critical in order to protect the health and well-being of all Californians.

The governor's order, like many of the other shelter-in-place or safer-at-home orders that have been implemented by counties and cities throughout the state, identifies or incorporates from other directives broad categories of exceptions. However, it does not give clear guidance as to whether many businesses fit into any particular category. Even so, the categories and the apparent basis for including them are informative:

The 16 critical infrastructure sectors identified by the federal government and incorporated into Gov. Newsom's order are:

1. Health Care/Public Health
2. Law Enforcement, Public Safety, First Responders
3. Food and Agriculture
4. Energy
5. Water and Wastewater
6. Transportation and Logistics
7. Public Works
8. Communications
9. Information Technology
10. Critical Manufacturing
11. Hazardous Materials
12. Financial Services
13. Chemical
14. Defense Industrial Base
15. Other Community-Based Government Operations and Essential Functions
16. Dams

The March 19, 2020, CISA guidance gives a further breakdown of examples under each of these broad categories. For example, under the health care category, the order includes workers that manage health plans, billing and health information who cannot practically work remotely, but also workers performing mortuary services. Under the energy category, the order includes workers needed for safe and secure operations at nuclear generation, but also vegetation management crews and traffic workers who support them

We have all heard the expression “flatten the curve” over the past week. The governor’s order is an attempt to further flatten the curve. While the order does not limit the state’s enforcement abilities or the liability a person can face for violating it, it does specifically identify Government Code Section 8665, which provides

Any person who violates any of the provisions of this chapter or who refuses or willfully neglects to obey any lawful order or regulation promulgated or issued as provided in this chapter, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punishable by a fine of not to exceed one thousand dollars (\$1,000) or by imprisonment for not to exceed six months or by both such fine and imprisonment.

The guidance issued thus far has been very general. If the state follows the practice of other jurisdictions that issued similar orders, we can expect clarification, additions and narrowing to the exemptions. If you are receiving this alert and you do not know whether you or your business fits an exception, you are not alone. Since the order was issued last night, Brownstein’s state government relations team has worked to obtain two exemptions to the list on the state’s landing page that were not included in the federal list. It is safe to predict that this will be a continuing moving target as we all try to navigate this situation.

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*This document is intended to provide you with general information regarding the impact of California Gov. Gavin Newsome’s executive order for residents to stay home during the coronavirus pandemic on businesses. The contents of this document are not intended to provide specific legal advice. If you have any questions about the contents of this document or if you need legal advice as to an issue, please contact the attorneys listed or your regular Brownstein Hyatt Farber Schreck, LLP attorney. This communication may be considered advertising in some jurisdictions.*