



Special Legislative Update ■ April 10, 2020

Legislature Responds to Governor's Massive Mask Purchase with Flex on Increased Oversight

Earlier this week, Governor Newsom announced on national television that he had brokered a deal to spend nearly \$1 billion to purchase 200 million protective masks per month for healthcare and other essential workers. Apparently, the Governor had not briefed the Legislature prior to this announcement, because legislative leaders quickly issued a joint statement outlining their intention to institute greater oversight into the Governor's expenditure authority.

Senate President pro Tempore Toni Atkins announced the creation of a bipartisan Senate Special Budget Subcommittee on COVID-19 Response to be chaired by Senator Holly Mitchell, who also serves as the Senate Budget and Fiscal Review Committee Chair. The Senate's newly created special subcommittee is scheduled to meet on April 16 in person in the Capitol. (The hearing will be available for viewing [online](#), and written public comment or testimony may be [emailed](#) in advance to the committee. Additionally, public comment will be taken via telephone at the end of the hearing; the call-in number will be announced at the start of the hearing. The public is strongly discouraged from attending in person.) The Assembly Budget Committee reportedly will convene a COVID-19 spending oversight hearing on April 20; no further details on the hearing format are known at this time.

The Legislature's frustration with the Governor taking this action without first consulting with the houses is reflected in this [letter](#) from Chair Mitchell to state Finance Director Keely Bosler. Although Senator Mitchell acknowledges the state's need to move quickly given current circumstances, she requests that the Administration provide to the Joint Legislative Budget Committee all of the following: full details of the contract to procure masks along with regular updates on distribution of these masks, including any plans to allocate the PPE out of state. Additionally, the letter requests that the Administration – by next week – make specified and regularly updated information available online that tracks the state's inventory of PPE and other medical equipment, the "destinations of outgoing shipments, including quantities shipped by county, city, and categories of users including health facilities and other essential workers." Also sought for inclusion on the webpage is the "percentage of requested equipment that has been fulfilled by county or public health jurisdiction and any state or local guidance specifying a priority order for distribution within each jurisdiction."

We will provide additional details on the scope of each hearing as we learn them and of course will report back on the tone, tenor, and substance of the committees' conversations once they take place.

Department of Finance Issues Letter to Budget and Appropriation Committee Chairs

Late this afternoon, Finance Director Keely Bosler released this [letter](#) to the chairs of each house's budget and appropriations committee chairs providing an interim fiscal update. The memo covers all of the following: economic forecast and revenues, expenditures, federal stimulus, and the state's cash position. The tone is appropriately somber, recognizing the significant and prolonged financial challenges ahead resulting from the pandemic. The state makes clear its commitment to fulfill its statutory obligation to produce a May Revision in the required timeframe, but points out that the revised budget will reflect the extraordinary impacts the pandemic has had on the state's previously very strong fiscal footing. The letter also includes (found at the link immediately prior) a request Governor Newsom made earlier this week to House Speaker Nancy Pelosi requesting an additional \$1 billion in "direct and flexible relief" for all state and local governments in five specific categories – health; workers; small business; food, housing, and homelessness; and education.

Newsom Signs Executive Order on May and June Elections

Governor Newsom signed Executive Order [N-48-20](#) last night, directing that three local special elections scheduled for May and June be conducted as all-mail ballot elections. Local election officials may offer in-person voting opportunities, but they must do so in a manner consistent with public health and safety directives, including appropriate physical distancing.

The three elections referenced are a May 19, 2020 special recall election in the City of Santa Ana; a June 2, 2020 special municipal election scheduled in the City of Commerce; and a special recall election in the El Rancho Unified School District, also scheduled for June 2, 2020.

California to Pilot Grocery Delivery for CalFresh Benefits

The United State Department of Agriculture announced this week that two additional states — California and Arizona — have been approved to allow food stamp recipients to buy groceries online. USDA has allowed a small number of states to participate in an ongoing pilot program experimenting with giving Supplemental Nutrition Assistance Program (SNAP), known as CalFresh in California, recipients the option to use their benefits to shop for groceries online. USDA recognizes that online shopping will help Americans follow CDC social distancing guidelines. California and Arizona are expected to launch their SNAP online programs by the end of the month. For additional information about the existing pilots, please visit the USDA [website](#).

Hotel and Air Travel Support for Health Care Workers

Yesterday, Governor Gavin Newsom announced a new program to provide doctors, nurses and other front-line health care workers access to no-cost or low-cost hotel rooms. The program will prioritize health care workers who come in direct contact with or are suspected of having direct

contact with COVID-19 patients, or who test positive for COVID-19 but do not require hospitalization. By providing hotel rooms in close proximity to medical facilities, health care workers can avoid potentially spreading the virus once leaving their shift by selecting to stay in one of the pre-identified hotels across the state. California Health Corps workers will also have access to the program. The state has identified 150 hotels that have opted in to provide discounted rate and is encouraging more hotels to sign up.

The state, through the Department of General Services, is prioritizing bringing hotels on line that are located in counties with high population density or have high numbers of COVID-19 positive test results, including: Los Angeles, Santa Clara, Riverside, San Bernardino, Orange, Alameda, Contra Costa, San Francisco, San Diego and Fresno. This program, funded in part through FEMA's disaster relief funds, also is available for local governments to offer to their health care workforce.

Additionally, Governor Newsom announced a partnership with United Airlines, which will provide free, round-trip flights for volunteer medical professionals from across California and the country who join the state's health care workforce. The airline will connect essential workers and supplies to the areas where they are needed most during the COVID-19 pandemic with daily flights.

Skilled Nursing Facilities and Residential Care Facilities

Governor Newsom outlined steps California is taking to protect the residents and employees of the more than 1,224 skilled nursing facilities and 7,461 residential care facilities across the state. Actions include the following:

- Retraining 600 nurses to support facility compliance with COVID-19 guidance and to assist facilities with positive cases;
- Working to decompress facilities to help slow the potential spread of COVID-19 in these facilities and create facilities specifically for positive patients;
- Reaching out proactively to each skilled nursing facility on a daily basis to assess their specific needs and identify and address any challenges early on;
- Prioritizing testing for patients discharged from a hospital to a skilled nursing facility to ensure patients who test positive are transferred to a facility that can safely provide care to the residents and also protect COVID-19 negative residents. California will also prioritize the testing of symptomatic residents and potentially exposed residents to ensure they are immediately isolated;
- Prioritizing personal protective equipment to facilities with COVID-19 positive staff or residents and facilities that are at increased risk to COVID-19;
- Providing stipends to certified nurse assistants, licensed vocational nurses and other critical staff at nursing homes to make sure their needs are met. A previously announced Facebook donation of up to \$25 million available to provide \$500 stipends to up to 50,000 nursing home workers;
- Offering no-cost or low-cost hotel rooms for workers who have had possible exposure to COVID-19 or test positive for COVID-19 and do not need to be hospitalized; and

- Ensuring that families of nursing home residents are informed and educated on COVID-19 safety protections for their loved ones.

The Governor also announced today that the USNS Mercy will be taking non-COVID-19 patients to help decompress skilled nursing facilities in the Los Angeles area.

LAO's Posts on Unemployment and Update on Nutrition Programs

The Legislative Analyst's Office (LAO) posted an [update](#) yesterday that discusses the steep increase in unemployment rates given the precipitous economic slowdown. The post discusses recent federal actions and also presents other options for the Legislature's consideration.

Also of note, the LAO has updated a [post](#) that addresses nutrition assistance in the context of the COVID-19 outbreak.