



Special Legislative Update ■ April 20, 2020

UCC Board of Directors Meets Wednesday

The UCC Board of Directors is scheduled to meet by conference call on Wednesday, April 22; the board agenda and associated materials were distributed this afternoon. A number of important topics will be discussed, included proposed revisions to the 2020 UCC Advocacy Priorities, with a focus on a COVID-19 strategy. We hope you are able to join!

Assembly Budget Subcommittee Presses Administration for More Answers on COVID-19 Expenditures

In the Assembly's first convening since the Legislature suspended its activities in mid-March, the Budget Subcommittee No. 6 on Budget Process, Oversight, and Program Evaluation hosted an oversight hearing today to inquire into the state's expenditures related to the COVID-19 response. Today's hearing, chaired by Assembly Budget Chair Phil Ting, ran for more than five hours, including public testimony.

Members pursued several interesting lines of inquiry, including testing, county capacity, PPE availability and costs, challenges specific to rural counties and the medium-sized jurisdictions that did not benefit from federal relief, Project Roomkey and what happens longer term with the homeless who are temporarily housed, the expiration of California's Section 1115 waiver, and contact tracing. Additionally, questions were raised about California's unemployment insurance system, small business loans, and school districts.

Assembly Member Joaquin Arambula, who chairs Budget Subcommittee No. 1 on Health and Human Services, posed several questions on the topics of skilled nursing facilities, behavioral health, emergency food access, In-Home Supportive Services and Adult Protective Services, and assistance for undocumented adults. Assembly Member Jim Wood, who chairs Assembly Health Committee, raised concerns about behavioral health, hospital challenges, and hospital seismic retrofit costs (due in 2030). Assembly Member Jay Obernolte, the subcommittee's vice-chair, inquired about whether funding for the social safety net was authorized under the provisions of SB 89; the Administration indicated it believes that focusing on the most vulnerable is allowable under the expenditure authority in SB 89.

While the Assembly Members generally praised the Administration, they also expressed deep concerns about the communication process between the executive and legislative branches. Subcommittee members also questioned why the Administration was not utilizing the expertise within the Legislature, specifically policy committee staff and members with real world expertise. The subcommittee suggested that members of the Legislature could also assist the Administration with their messaging and communication in their districts. Finally, members expressed concerns regarding the presumably unsatisfactory level of engagement between the various task forces assembled by Governor Newsom and the Legislature.

In addition to the subcommittee's [agenda](#), several handouts related to the hearing have been posted, including [slides](#) associated with COVID-19 data and modeling, [information](#) on PPE distribution by county, and a [flowchart](#) outlining the Medical and Health Coordination Center (MHCC) resource request process.

The subcommittee plans to meet again next Monday to assess the state's options for stimulating the economy.

Large Costs for Workers' Compensation Presumption for COVID-19

The Workers' Compensation Insurance Rating Bureau of California (WCIRB) reported today that a presumption that emergency responders, health care workers, and other workers with COVID-19 contracted the illness on the job would cost employers and insurers billions of dollars. Assembly Member Tom Daly, Chair of the Assembly Insurance Committee, requested the study anticipating legislation establishing a presumption from front-line workers. The report estimates that the annual cost of COVID-19 claims on essential critical infrastructure workers under a conclusive presumption ranges from \$2.2 billion to \$33.6 billion with a mid-range estimate of \$11.2 billion, or 61% of the annual estimated cost of the total workers' compensation system prior to the pandemic.

Confirming Assembly Member Daly's assessment, [AB 664](#) (Cooper) was amended on Friday to provide a workers' compensation presumption for essential critical infrastructure workers with COVID-19, for:

- Active firefighters in a fire department of a city, county, city and county district, or other public or municipal corporation or political subdivision;
- A fire department of the UC and CSU;
- The Dept of Forestry and Fire Protection;
- A county forestry or firefighting department or unit;
- Peace officers; and
- Health care employees who provide direct patient care in an acute care hospital.

Compensation would include:

- Full hospital, surgical, medical treatment, disability indemnity, and death benefits;
- Reasonable reimbursements for (an employee is not required to enter quarantine to be eligible for these reimbursements):

- Emergency equipment or personal protective equipment that provides protection for the person or other persons from transmitting the virus; and
- Medical expenses related to protection and treatment as well as reasonable living expenses (other than temporary housing costs) that exceed typical living expenses and were incurred as a result of the disease.
- Temporary housing costs incurred by the employee while performing duties or for protect others from exposure to the extent that the employee is ordered by the employer or is advised by a licensed physician to enter or remain in quarantine in temporary housing because the employee was exposed, shows symptoms, and/or would place others at risk if he/she remains at place of residence;

The presumption would be extended to those described above following termination of service for a period of 90 days, commencing with the last day they worked.

AB 664 is currently awaiting a policy committee referral in the Senate.

Data on COVID-19 Outbreak at SNFs

Over the weekend, the California Department of Public Health (CDPH) released a [list](#) of skilled nursing facilities with COVID-19 cases. The list includes facilities with residents and/or staff who have tested positive for COVID-19 and the numbers for each; additionally, the data posted includes the county in which the facility is located.

Governor Newsom Announces Partnerships to Support Distance Learning

During his noon address today, Governor Gavin Newsom announced several partnerships to help bridge the digital divide during this period of school closure requiring widespread reliance on distance learning options. He highlighted the considerable contributions a number of private sector businesses, individuals, and foundations have made to ensure that students across the state are able to connect to and benefit from online learning options. (Details on specific donors can found [here](#).)

Additionally, the Governor announced that the California Public Utilities Commission (CPUC) and the California Department of Education (CDE) will partner to distribute a total of \$30 million to support connectivity: \$25 million from the [California Teleconnect Fund](#) for hotspots and Internet service for student households; and \$5 million from the [California Advanced Services Fund](#) to help cover the costs of computing and hotspot devices. CDE will assist in reviewing requests and coordinating purchases.

Governor's Saturday Address Focuses on Project Roomkey

Over the weekend, Governor Newsom held his noontime press availability in Santa Clara County to highlight progress in implementing Project Roomkey, with a particular focus on a partnership with the Motel 6 chain to secure and provide safe isolation locations for individuals experiencing homelessness during the time of pandemic. Under this agreement, the Motel 6 chain will make available all of its corporate-owned locations (47 hotels in 19 counties) to counties, effective

immediately, with a master agreement template. Counties may choose to adopt the operating agreement for the locations within their jurisdiction. The master agreement – if fully executed – would add more than 5,000 rooms – above and beyond the rooms that are already under county control. The Governor spoke positively about the partnership with and commitment of county governments in building solutions to managing the day-to-day response to the public health crisis.

More information on Project Roomkey can be reviewed in this [announcement](#) released earlier this month, which details a reimbursement partnership with FEMA, whereby local, state, and tribal governments are eligible to 75 percent cost-share for Project Roomkey activities, including hotel and motel rooms and wraparound supports such as meals, security, and custodial services.

Earlier this week, the state executed a master agreement with Chef José Andrés's [World Central Kitchen](#). Through this partnership, counties can access this contract to provide three meals a day to clients of Project Roomkey.

Webinar Next Week on Jail Release Decisions During Period of Pandemic

The national Stepping Up Initiative is convening a [webinar](#) that will explore considerations for jail management and release decisions during the ongoing public health crisis, with a particular focus on people with behavioral health needs. The webinar is scheduled for Wednesday, April 29 from 11 a.m. to 12:30 p.m.; [pre-registration](#) is required. Policy experts and local practitioners will join the panel to offer their recommendations and insights.

LAO Post Details State COVID-19 Expenditures

Today's [post](#) by the Legislative Analyst's Office summarizes allocation of state funds associated with the COVID-19 response. This update likely will be updated as additional expenditures are made. A helpful chart detailing all of the state funding actions to date is provided at the bottom of the post.