



Special Legislative Update ■ April 24, 2020

Legislature's Plans for Return to Sacramento Begin to Take Shape

More information from the houses regarding their planned return to Sacramento became available this week. The Assembly appears committed to a May 4 return and has begun to announce policy committee hearing plans and protocols, which clearly are seeking to balance the need to return to legislative business; to facilitate participation of advocates, stakeholders, and the public in the deliberative process; and to assure good public health practices, including appropriate social distancing.

The *Sacramento Bee* [reported](#) this afternoon that the Sacramento County Health Department is recommending that legislators and at least one staff person from each member's office be tested for the virus, even if they are asymptomatic. It remains to be seen whether that guidance will in any way hinder the Assembly's planned return.

As we have mentioned previously, the two houses have taken different approaches to resuming their business. During recent hearings, the Senate permitted its members to join remotely, while the Assembly – apparently based on advice from their attorney – required members to appear in-person. It is rumored that the Senate will not return on May 4, but more likely in mid-May. No details on a specific date have yet been confirmed; we will share new information and any announced decisions on the Senate's return as we learn it.

Additionally, we understand that certain legislators have been discussing a constitutional amendment – that would be considered on the November 2020 ballot – to permit remote voting. Apparently, other states allow for off-site participation under certain extraordinary circumstances. More to come on this topic as well.

Finally, the Assembly Budget Subcommittee No. 6 on Budget Process, Oversight, and Program Evaluation – chaired by Assembly Budget Chair, Phil Ting – will meet again on Monday, April 27 to discuss options for economic stimulus. The hearing agenda can be reviewed [here](#).

New Information from US Treasury Regarding CARES Act Funding

To assist entities that have received a direct allocation from the Coronavirus Relief Fund, the United States Department of Treasury has provided additional information regarding the use of CARES Act funding. [Guidance](#) for states, local agencies, and tribes outlines Treasury's interpretation of

limitation on the appropriate use of funds and the [Frequently Asked Questions](#) document makes clear that states may pass along CARES Act Funding to local governments.

Today's Press Briefing: Supporting Older Californians in Isolation

Governor Newsom's noon press today conference was focused on supporting vulnerable older Californians who are isolating at home during California's shelter in place order. Approximately 1.2 million Californians over the age of 65 live alone. The Governor detailed the following initiatives:

- **Restaurants Deliver: Home Meals for Seniors.** This new program will ensure vulnerable older Californians have consistent access to nutritious meals while staying safe at home. The Restaurants Deliver: Home Meals for Seniors program will enlist community restaurants to prepare meals that will be delivered to older Californians who are isolating at home during California's stay at home order. The program will also support local restaurant workers and owners who have lost business during the pandemic. The state and the Federal Emergency Management Agency will cover the majority of the cost, which would amount to roughly \$66 for three meals a day (locals will be required to match 75% of the 25% non-federal share). During his remarks, the Governor opined that the program would be particularly beneficial in rural counties – providing assistance to both seniors and the restaurants that are struggling financially. The program will be administered by counties and cities and will serve older Californians who are ineligible for other nutrition programs. Press reports from this afternoon indicate that the program will be locally administered because of internal disagreement within the Newsom Administration about which state agency should oversee the program.
- **Social Bridging Project.** The Social Bridging Project will mobilize more than 1,000 callers to proactively reach out to older Californians who are isolating at home. The project will combat social isolation through direct, one-on-one communication with older Californians, many living alone and isolated. The Project is a partnership with Listos California, the California Department of Aging, United Airlines, Community Emergency Response Teams (CERT), and Sacramento State University to make calls to older Californians. Callers will check on the individual's well-being, connect them to resources, and connect with them on a personal level.
- **Friendship Line California: 1-888-670-1360.** California is expanding Friendship Line California to support lonely and isolated older Californians across the state. Friendship Line California is toll-free and available to provide emotional support to older Californians facing loneliness, isolation and anxiety. The California Department of Aging is partnering with the Institute on Aging to support this effort.

Executive Orders Galore!

Governor Newsom has issued four executive orders in recent days, each of which is summarized below:

Executive Order [N-54-20](#), an omnibus order, includes provisions that authorize the following:

- Grants a 60-day extension for certain Department of Motor Vehicle deadlines, including recently expired drivers' licenses and identification cards, and suspends late fees from being applied to expired vehicle registrations.
- Allows certain posting, filing, and notice requirements under the California Environmental Quality Act (CEQA) to be satisfied through electronic means to allow public access and involvement.
- Temporarily allows retailers, particularly grocery stores, to provide bags to consumers without charge, and to pause redemption of beverage containers in store.
- Temporarily suspends the requirement for recycling centers to hold a minimum number of hours of operation.

Executive Order [N-55-20](#) provides additional flexibilities for health and human services programs. Specifically, the order:

- Extends the deadlines for Medi-Cal providers to submit and for Department of Health Care Services (DHCS) to review a cost report, change in scope of service request, or reconciliation request for 90 days beyond the date on which such action would otherwise be due.
- Extends the timelines for DHCS to conduct administrative hearings and issue final decisions related to the administration or services of Medi-Cal. The order encourages DHCS to meet the timelines in existing law to the extent reasonably possible.
- Allows grievances and appeals for the California Children's Services program to be via phone or video conference.
- Suspends state regulations to the extent they would prevent the California Children's Services Medical Therapy Program from offering physical and occupational therapy services in non-school settings.
- Suspends signature requirements on deliveries of certain Medi-Cal covered drugs.
- Clarifies that the use of the Laboratory Services Reservation System shall not be required in connection with COVID-19 testing.
- Allows DHCS – for purpose of responding to COVID-19 — to issue bulletins or guidance related to provider enrollment without advance notice or public hearing.
- Allows DHCS to authorize licensed substance abuse disorder services residential treatment facilities to operate beyond the conditions and limitations otherwise imposed by their license in order to ensure sufficient bed capacity. Suspends the requirement of a physical site visit in connection with an application for a license to operate such a facility.
- Suspends Short-Term Residential Treatment Program (STRTP) regulations that would restrict DHCS from granting STRTPs, Special Treatment Programs, Psychiatric Health Facilities, Mental Health Rehabilitation Centers, Community Treatment Facilities, Community Residential Treatment Systems/Social Rehabilitation Programs and Psychiatric Health Facilities flexibility related to staffing requirements and suspending on-site program reviews.
- Allows DHCS to reimburse county behavioral health departments for administrative costs related to specialty mental health services up to 30 percent of the total actual cost of direct client services.
- Suspends state regulations to the extent they prevent a patient from receiving psychiatric medication without the patient's physical signature.

- Suspends state regulations to the extent they would prevent DHCS from providing Alcohol or Other Drug (AOD) counselors an extension of time to complete their certification if their efforts to become certified are impacted by the COVID-19 emergency.
- Allows DHCS to temporarily delay or suspend – and may permit Medi-Cal managed care plans to temporarily delay or suspend – annual medical audits, surveys of physician offices, facility site reviews, plan and county data collection from providers, and similar audit or review activities.
- Allows DHCS to allow Medi-Cal managed care plans to conduct beneficiary risk assessments according to any timeframe approved by DHCS not to exceed an additional 90 days after existing timeframes. Clarifies such assessments can be done by phone or video conference.
- Suspends state regulations to the extent they would prevent DHCS from extending the deadline for Medi-Cal fee-for-service providers to submit information required for a Medical Exemption Request. Extends timeframes by 90 days.

Executive Order [N-56-20](#) extends deadlines for local educational agencies to submit Local Control and Accountability Plans (LCAP), which are multi-year planning documents tied to budget projections. Local educational agencies will instead be required to publish a written report to their communities explaining how they are responding to COVID-19, including steps they have taken to deliver high-quality distance learning opportunities, provide school meals in non-congregate settings, and arrange for supervision of students during ordinary school hours. They will also be required to explain the steps they have taken to meet the needs of low-income students, English learners, and foster youth. The order also waives required physical education minutes and annual fitness testing that requires on-site instruction.

Executive Order [N-57-20](#) exempts garnishment for any individuals receiving federal, state, or local government financial assistance in response to the COVID-19 pandemic, including recovery rebates under the CARES Act. Funds may still be garnished for child support, family support, spousal support, or criminal restitution for victims. In addition to this order, the Governor announced an initiative to provide students with commercially owned Federal Family Education Loan or privately held student loans who are struggling to make payments due to the pandemic potential for expanded relief, including 90 days forbearance, waiving late payment fees, ensuring that no borrower is subject to negative credit reporting, and state support to help eligible borrowers to enroll in other assistance programs.

New Webinar from CDIAC: Disclosures in the Time of COVID

The California Debt and Investment Advisory Commission (CDIAC) announced a new [webinar](#) designed to assist municipal borrowers navigate disclosures associated with the COVID-19 pandemic. Join Brooke Abola, Deputy City Attorney, Office of the San Francisco City Attorney, and Daniel Deaton, Partner at Nixon Peabody for strategies as to how to navigate this challenging dilemma. Join the webinar (for free!) on Friday, May 1 at 10:00 a.m.; those interested in participating should register via the CDIAC website [here](#).