



## Special Legislative Update ■ April 30, 2020

### **Governor's Noon Update: New Child Care Portal**

At his daily press conference, Governor Newsom unveiled a new [online portal](#) to assist families in finding child care. The new website, operated by the California Department of Social Services, will allow families to search child care facilities by zip code, including the 432 “pop-up” centers established during the pandemic.

Since the start of the pandemic, the state has allocated \$100 million to increase the number of subsidized child care slots to accommodate the children of essential workers and to cover the cost of gloves, face coverings and cleaning supplies for providers. The federal government will also provide the state \$350 million for child care provider assistance.

At the Assembly Budget Subcommittee No. 2 hearing earlier this week, child care workers told legislators that the \$100 million in state funds have not made it to providers and that they have struggled to obtain in-demand supplies. The Governor said today that the process to disburse funding is underway.

### **Department of Finance Issues Memo to Departments on Spending Restrictions**

Director of Finance Keely Bosler issued a [memo](#) today directing state agencies and departments to begin taking immediate steps to reduce state spending in face of the pandemic and associated economic contraction. Director Bosler indicates that DOF is assuming that the resulting recession, decreases in revenues, and increased demands in safety net services will certainly affect the current fiscal year, with revenue decreases and cost increases expected to persist across several additional fiscal years.

Accordingly, the state is asking that departments do all of the following:

- Cancel any leave buy-back programs.
- Maintain the stoppage of non-essential travel.
- Refrain from entering into any new service contracts or purchase agreements, except for purchases that support teleworking or that reduce the spread of the virus.
- Limit any new hiring, except in the case of essential positions.

## **Treasurer Announces CHFFA Financing Opportunity for Health Facilities**

California State Treasurer Fiona Ma announced today that the California Health Facilities Financing Authority (CHFFA) board approved a new \$5 million emergency loan program for California health facilities impacted by the COVID-19 pandemic. Starting today, certain health facilities can apply for zero interest loans of up to \$250,000 to pay for COVID-related expenses.

The new program, CHFFA's COVID-19 Emergency HELP Loan Program, is designed for small facilities (with annual revenues of under \$30 million) or rural health facilities and district hospitals, regardless of size. These facilities include community clinics, group homes, developmental disability facilities, and adult day health centers, for example. Loans may be used for upcoming construction, remodeling, or renovation project, equipment or furnishing purchases, working capital, and for the reimbursement of prior expenditures related to the COVID-19 pandemic. Maximum maturities range from as short as 15 months for working capital loans to as long as 20 years for construction, remodeling, renovation, and improvement loans. Loan approvals will be expedited through a streamlined application and review process and all funds shall be available for loan approval until December 31, 2020.

In addition, current CHFFA HELP II Loan borrowers can now receive expedited deferrals of up to three months of payments (both principal and interest) on their outstanding loan balances to help defray the cost of responding to the COVID-19 pandemic. Interest on the deferred loan payments will not be capitalized, as the maturity of the loan will be extended for up to three months using the current principal and interest payment schedule.

For more information on the COVID-19 Emergency HELP Loan Program and on how to receive a loan deferral, visit CHFFA's [website](#).

## **Assembly Budget Subcommittee Hearing Set for Next Week on HHS Issues**

Assembly Budget Subcommittee No.1 will be holding an informational hearing on Monday, May 4 entitled, "Critical Health and Human Services Issues Related to the COVID-19 Crisis." The hearing is divided into two panels. The first panel is focused on the future of the health care workforce as an economic engine. Likely panelists include representatives from the Health and Human Services Agency, Department of Health Care Services, California Hospital Association, the California Medical Association, community clinics, Health Access, and others. The second panel is focused on how safety net programs are responding to the unemployment crisis and identifying challenges and needs going forward. Likely panelists include the Department of Social Services, Department of Aging, the County Welfare Directors Association, and the Western Center on Law and Poverty.

Assembly Subcommittee No. 1 will likely hold a limited number of hearings between now and mid-June. Next Monday's hearing will be important for setting the context in the health and human services policy arena before the May Revision and adoption of a state budget.

## **Assembly Policy Committee Hearings**

The Assembly File contains information on what days policy committees will meet (see pages 10-11 at this [link](#)) and has begun to list agendas (i.e., bills set for hearing) for committee hearing from May 4 – 20. Please note that we understand that the bill agendas are not final, and additional bills may be added in the coming days. (If you wish to track a particular bill, you can visit this [page](#) and search for information by bill number and review the details on the status tab. Alternatively, the daily files can be found here: [Assembly](#) | [Senate](#).)

## **2020 Ballot Measure Update**

Today, the sponsors of a ballot measure related to California’s Medical Injury Compensation Reform Act (MICRA) announced that they will be pursuing a measure for the November 2022 ballot. The sponsors, who were looking to increase caps on medical malpractice payments, were originally targeting the November 2020 ballot, but have changed course, with the campaign noting that “voters are overwhelmed.”