

# LEGISLATIVE UPDATE



Week of May 4, 2020

## State Issues

State Budget	<p>This week the Department of Finance gave a preview of the state fiscal picture – and it is grim. The State is predicting a \$54.3 billion deficit, of which \$13.4 billion occurs in the current year and \$40.9 billion is in the budget year. All of this is, of course, tied to COVID 19 response spending, coupled with the loss in tax revenue due to the stay at home orders. As bleak as the projections are, the Newsom Administration notes that the State still in a much better position than it could have been because of its record reserves (\$21 billion) and budget surplus (\$5.6) that had accumulated at the beginning of this year.</p> <p>The Department has commented several times in hearings that they are still working to come up with the best models to project the state’s financial future. In their memo, they state, “The widespread economic interruption caused by the global pandemic is unprecedented in modern history.” There is still hope that additional federal funding will be coming to support states’ recovery, but the magnitude of that support is still very much unsettled.</p> <p>The May Review document is expected to be released next Thursday, May 14. The Senate has announced it will begin hearings on the budget on Monday, May 18 and hold Subcommittee hearings all that week. They expect to vote on a complete “workload” budget by June 1 – well before the June 15 Constitutional deadline. The Assembly has not released their schedule, but it is expected to be similar to the Senate timeframe.</p> <p>Advocacy on the fiscal needs of health care providers is beginning in order to inform the budget negotiations. The California Hospital Association asked the Governor to provide \$1 billion financial support to hospitals, to help address the increase in expenses related to the testing and PPE procurement needed to respond to COVID-19, and the dramatic loss of revenue due to the need to prepare hospitals for the surge in cases and the stay-at-home orders. The hospitals’ request should be part of the upcoming budget hearings.</p> <p>The Finance Letter can be accessed at: <a href="http://www.dof.ca.gov/Budget/Historical_Budget_Publications/2020-21/documents/DOF_FISCAL_UPDATE-MAY-7TH.pdf">http://www.dof.ca.gov/Budget/Historical_Budget_Publications/2020-21/documents/DOF_FISCAL_UPDATE-MAY-7TH.pdf</a></p> <p>And a brief power point presentation can be found at: <a href="http://www.dof.ca.gov/Budget/Historical_Budget_Publications/2020-21/documents/DOF_FISCAL_UPDATE_POWERPOINT-MAY-7th.pdf">http://www.dof.ca.gov/Budget/Historical_Budget_Publications/2020-21/documents/DOF_FISCAL_UPDATE_POWERPOINT-MAY-7th.pdf</a>.</p>
Senate Schedule	<p>The Senate officially will be coming back into session on Monday, May 11. In the memo released by Senate Pro Tem Toni Atkins, she provided orders similar to the Assembly on how the day to day business of the Senate in the Capitol will be conducted: limited availability of the Capitol to the public, staff are instructed to stay at home with some limited exceptions, social distancing will be enforced, and facial covers are highly recommended. No lobbying meetings will be allowed in the Capitol and testimony at hearings is highly encouraged to be offered via a new telephone system connected to the hearing rooms.</p> <p style="text-align: right;"><i>(more)</i></p>

Senate Schedule <i>(continued)</i>	<p>The Senate also released its hearing schedule. Like the Assembly, the Senate will only be holding one Health Committee hearing – tentatively set for May 13. The concern with that early timeframe is that the Committee has not released its agenda, which means we have no indication of what bills will be heard, what amendments are expected on bills in print, and very limited time to properly educate the members on implications of the bills that do get set for hearing.</p> <p>The Senate Health Committee Chair, Dr. Richard Pan, is actively engaging with authors and pushing back on setting any bills that are highly controversial; but, given the expected politics, we will have to wait and see if that holds true. There is discussion that the Committee date will get pushed back, but confirmation has been forthcoming.</p>
Hospital Seismic Standards	<p>As there are ongoing discussions with the Legislature and the Administration about the future of hospitals and their financial health, the 2030 seismic standards continue to get raised. These costly and unnecessarily onerous standards will play a big part in the fiscal health of many of our hospitals. The future of the CHA-sponsored bill to adjust the standards (SB 758, Portantino) is still unclear. In the latest round of COVID-19 hearings and budget hearings, Dr. Jim Wood (Chair of the Assembly Health Committee), who represents a district that includes several small rural hospitals, has raised this issue several times and has asked the Administration to consider putting a hold on the standards while we explore alternative policies that can prepare our hospitals for responding to all kinds of disasters. The Administration continues to say they have the issue under consideration, and many are hoping to see some proposed policy changes be outlined in the upcoming May Revise, or at least as part of the ongoing budget discussions over the next few weeks.</p>
<b>COVID-19 Information and Resources</b>	
<i>There is much information and many resources emerging on the coronavirus (COVID-19). This section will focus on the ethical issues and concerns in treating patients, as well as provide additional links to resources that may be helpful to those in our communities and parishes.</i>	
New Webinar Topics	<p>The Catholic Health Association has announced, that in their ongoing commitment to bring up-to-the-minute information about critical ethical issues around COVID-19, there are new topics in their webinar series presented by CHA and Georgetown University in cooperation with the Pellegrino Center for Clinical Bioethics. You can register for these timely programs that are presented as a complimentary service to health professionals and the community during the COVID-19 pandemic at: <a href="https://www.chausa.org/events/calendar-of-events/ethics-webinar-series/overview">https://www.chausa.org/events/calendar-of-events/ethics-webinar-series/overview</a></p>

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