

**MINUTES OF THE MEETING**  
**OF THE**  
**ARKANSAS LEGISLATIVE COUNCIL**

**Friday, May 15, 2020**

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The Arkansas Legislative Council met at 9:00 a.m., Friday, May 8, 2020, in Committee Room A of the Big Mac Building, Little Rock, Arkansas. Co-Chair Cecile Bledsoe called the meeting to order and recognized a quorum of members present. The members present are listed on the sign-in sheets.

Co-Chair Bledsoe recognized the Arkansas Pharmacists Association for providing the Arkansas Legislative Council with hand sanitizer to use during legislative meetings.

**Co-Chair Bledsoe made a motion to suspend the rules to allow a meeting with less than six (6) days' notice. The motion was seconded and passed by voice vote.**

**Discussion of the Arkansas Ready for Business Grant Program**

Co-Chair Bledsoe recognized Mr. Mike Preston, Secretary, Department of Commerce, and Mr. Jim Hudson, Executive Vice President, Arkansas Economic Development Commission (AEDC), to present the Arkansas Ready for Business Grant Program. Secretary Preston expressed speed is of the essence, since this pandemic has hit our state, in making sure that assistance is getting out to individuals and businesses. Secretary Preston pointed out some highlights for the department. He stated, through Community Development Block grants, \$10 million dollars was set aside and made available to twenty-seven (27) rural hospitals throughout the state, including \$500,000 to UAMS to support their digital health and innovation to expand telemedicine to rural areas within the state; AEDC also setup the Quick Action Loan to Businesses program, using \$6 million dollars from the Governors Quick Action Closing Fund, and \$3 million dollars from the Attorney General's Office that was put into the fund. With the total \$9 million dollars, AEDC was able to allocate \$8.1 million dollars to companies in the form of no interest or low interest loans to businesses, and no payments for twelve (12) months on loans to businesses who were applying for Personal Protective Equipment (PPE) loans. Secretary Preston further stated that applicants were asked to retain a job. In the first round of loans, \$4.9 million was given to 246 companies, that represented 2,476 full time jobs and 1,003 part time jobs that would be able to be retained. On the second round of loans, \$2.24 million was given to 232 companies, retaining about 2,000 full time jobs and 900 part time jobs.

Secretary Preston stated the Governor called together an Economic Recovery Task Force, which Secretary Preston is a member. Secretary Preston expressed the task force was tasked with coming up with ideas of how they can support businesses who are re-opening or are struggling to stay open, meet health guidelines and requirements. Upon the approval of the C.A.R.E.S. Act Fund, the team began to form the Arkansas Ready for Business Grant program. The program was developed to assist businesses and organizations, by providing grants for expenses, with ensuring the health and safety of employees and patrons. The Governor announced the program on Wednesday, April 29, 2020, at his press briefing around 1:30 p.m. Secretary Preston stated that he assumes, the 2,300+ applicants became aware that the website would go live at 5:00 p.m. from the

press conference that took place at 1:30 p.m. the same day. There was some miscommunication, as the information to make application was publicized before the Arkansas Legislative Council was able to review. After one (1) hour, Secretary Preston stated he decided to bring the website down, but had received over 2,300 applications resulting in over \$36 million dollars in requests that came in, which far exceeded the estimated \$15 million dollars for the program. The website then, went live again on Tuesday, May 5, 2020 and Wednesday, May 6, 2020 from 8 a.m. to 6 p.m. after the Legislative Council's emergency approval of the appropriation to move forward after the CARES Act Steering Committee had met to approve the recommendation to go before ALC. In that time, 12,233 applications were received for a total request of \$147.7 million dollars. Changes to the program funding were made as suggested by ALC, including that 75% of the total funds would be for small businesses with 50 employees or less; there would be 15% set aside for applications of women and minority-owned businesses. Secretary Preston reported that of the applications received, 94.9% percent were from companies with 50 employees or fewer; 70% of the applications came from companies with ten (10) employees or fewer; women, minority-owned, and disabled veteran businesses, accounted for 5,664 applications or 46% percent of all applications, and roughly \$40.6 million dollars of the funds requested, which is 27%. The 12,233 applications represent a workforce of 196,000 full-time employees and a little over 50,000 part-time employees, which is about 25% of the entire workforce in the state of Arkansas who will benefit from the funds to protect employees and customers. Secretary Preston stated that the agency used Sales Force as the platform to intake applications, and did not experience any computer glitches.

Co-Chair Bledsoe recognized Senator Jonathan Dismang for questions. Senator Dismang asked Secretary Preston, what is his recommended amount of funding for this program. Secretary Preston stated the CARES Act Steering Committee made a \$100 million dollar request, which they thought would satisfy the demands, but it did far exceed that number. If only \$100 million is received, AEDC would have to cut back on the maximum amount of funds each business would receive in order to ensure that every business got something. Senator Dismang, expressed that ALC cannot set an amount for funds to be reviewed/approved; there would be a letter submitted to ALC requesting approval. Senator Dismang asked Secretary Preston if his intent is to request funding for the \$147 million that is needed to cover applications that have been received, or only the \$100 million that was initially requested. Secretary Preston responded, now that they are aware of the amount needed for the applications, they would want to know what appropriation they would have going forward in order to fund the request. Senator Dismang, further asked if only \$100 million dollars is approved, but there is a request in excess of that amount, what is the proposal on how those entities be funded without having the full amount needed.

After further statements by Secretary Preston, Co-Chair Bledsoe recognized Mr. Jim Hudson for response. Mr. Hudson stated that they would still have to allocate the proper percentage to the businesses with 50 employees or less, women and minority-owned businesses, and disabled veteran businesses, as that would be the first priority. With that, the proportion of funds per business would be different if you are in the 50 or below category, it would be less of a cut; if you are in a larger business, it would be more of a significant cut.

Co-Chair Bledsoe recognized Representative Robin Lundstrum for questions. Representative Lundstrum stated there has been a lot of confusion about how quickly the \$15 million dollars went out to businesses, and people have requested a listed of dates and time stamps to clarify the confusion. She asked why the information has not been released. Secretary Preston responded that they are working to put together a list of everything that came in. He explained that the first 2,300

applications that were received are included in the 12,233 applications, and there will eventually be a list of time stamps provided by industry. Mr. Hudson stated that they will provide a list that will show an identifying number of every applicant, with a time stamp, the requested amount, and the county of every applicant. When funds are disbursed, they will provide another list with the company name and the amount awarded, if they are approved, and if not approved, the name will not be shown, but a reason of denial will be provided.

After further comments by Mr. Hudson, Co-Chair Bledsoe recognized Senator Hendren for comments/clarification. After gaining clarification, Senator Hendren asked of Marty Garrity, Director, Bureau of Legislative Research, if the ALC can make a motion to change the funding amount without an official letter of request. Director Garrity responded that, it could, although we would need supporting documentation. Senator Hendren expressed that he would like for the ALC to make a decision on the funding amount by the end of the meeting, in order for AEDC to move forward.

Co-Chair Bledsoe recognized Senator Ingram for questions. Senator Ingram asked, on behalf of Senator Stephanie Flowers, what, if any, administrative expenses came along with the grant program; are there any dollars to help administer this program that are allowed under the grant. Secretary Preston responded, no, they are using an existing resource. Senator Ingram further asked on behalf of Senator Flowers, if any discretion was given to the State in terms of the manner the grants could have been used to purchase PPE, with the state being the disburser, instead of having individual businesses purchase PPE. Secretary Preston stated, that with so many varying needs from varying industries, it would have been difficult for the state to do that. Senator Ingram further asked on behalf of Senator Flowers, if an audit is required, would the audit be warranted by the State of Arkansas. Secretary Preston responded, yes.

Co-Chair Bledsoe recognized Senator Missy Irvin for questions. Senator Irvin pointed out that one other change that was also made was that businesses would be required to verify where funds were used and be required to repay. She stated this program is a back-end audit program and not a reimbursable program – with that, the higher education institutions and DHS proposals were built in a way that recipients would have to submit invoices and then are reimbursed. Senator Irvin asked if there was any thought process that made AEDC go a different route than requiring invoices and then reimbursing. Secretary Preston stated, with the announcement of businesses reopening, he knew the businesses would need the funds in hand as soon as possible. Senator Irvin asked if auditing would be done by the Department of Commerce or someone else. Mr. Hudson responded, every recipient would be required to submit a return at the end of the year, documenting what their expenses were, and they will be reviewed and audited by the Inspector General's office. Senator Irvin asked on behalf of Representative Vivian Flowers, if churches can apply. Secretary Preston stated churches can apply and there have been about 100 churches who have already applied.

Co-Chair Bledsoe recognized Representative Lane Jean for questions of clarification. Co-Chair Bledsoe then recognized Representative Andy Davis for questions. Representative Davis asked how did the agency arrive at \$15 million in its initial request when the demand for funds is at \$147 million. Secretary Preston responded that they looked at what was done before and the need that was out there based on previous programs offered under the pandemic. He further stated that there was a miscalculation in the number of those who would apply for grants versus loans. Representative Davis expressed the intent of the program is well recognized, but the planning is where it fell apart.

Co-Chair Bledsoe recognized Senator Bart Hester for questions. Senator Hester asked, considering that people/businesses are not eligible if they owe any taxes, what would happen if a person/business was current on their taxes, up until the corona virus hit, and then became behind once they were forced by the state to cease doing businesses, which resulted in them becoming behind in taxes. Mr. Hudson responded that, if a person has recently become behind in taxes due to the current economic crisis, but was current before, they would not have a tax return with taxes due, especially since the filing time period was extended.

Co-Chair Bledsoe recognized Senator Joyce Elliott for questions. Senator Elliott asked if a church does is not a 501(c)(3), are they eligible to get a grant without going through the 501(c)(3) and just apply through the house of worship. Mr. Hudson, responded that vast majority of churches are 501(c)(3), accredited by the IRS, in order for donations of that church to be tax deductible and it would be rare that a church would not be a 501(c)(3).

After further comments by Senator Elliott, Co-Chair Bledsoe recognized Senator Terry Rice for questions. Senator Rice asked, who made the announcement of the 5:00 p.m. launch of the website. Secretary Preston responded that he made the announcement during his presentation of the program during the press briefing. Senator Rice opted to hold the remainder of his questions until the next scheduled Arkansas Legislative Council (ALC) meeting, at which Co-Chair Bledsoe asked Secretary Preston to return.

Co-Chair Bledsoe recognized Senator Kim Hammer for comments. Senator Bledsoe recognized Senator Trent Garner, who expressed his concerns with not prioritizing those businesses that were shut down by the state and to those who work in highly infectious environments, such as a dentist's office or gym. He further expressed that many businesses applied for the grant that do not have any need for the PPE equipment but saw money was available and applied. Secretary Preston responded that if Arkansas had issued a stay-in-place order that more businesses would have closed and that most businesses, even those that fought to remain open, have a financial need in order to bring their businesses up to par so they meet the Department of Health safety guidelines.

Co-Chair Bledsoe recognized Representative Megan Godfrey for questions. Representative Godfrey asked what were AEDC's outreach strategies to get the program and grant information out to minority owned businesses. Secretary Preston stated that with the help of Representative Vivian Flowers, Representative Fredrick Love, Representative Fred Allen, and the Legislative Black Caucus, he was able to invite about 900 minority owned businesses from around the state to join in on the call to receive information on how to apply.

Co-Chair Bledsoe recognized Senator Gary Stubblefield, Representative Jim Dotson, and Senator Bruce Maloch for questions. After response from Secretary Preston, Co-Chair Bledsoe recognized Representative John Payton for questions. Representative Payton asked if institutes of higher education were eligible to apply. Mr. Hudson stated, state-owned/state-funded entities may not apply, but a private college can, and some did. Co-Chair Bledsoe recognized Representative Laurie rushing for questions. Representative Rushing asked whether corporations would or would not benefit from the extension that the Governor put in place for filing and paying taxes by July 15, 2020. Mr. Hudson responded that, the vast majority of applicants would be included in the extension and would file a return by July 15. However, the focus is on businesses who are behind in taxes from 2018 and earlier. Those who are presently behind on taxes would be excluded.

Co-Chair Bledsoe recognized Senator Blake Johnson for comments. Senator Johnson stated that officials should act proactively for what may happen in the future, considering the virus can mutate within a month, resulting in an extension of closures. Senator Johnson stated because of the limited funding supply, and in the case that we have to extend the closures, his recommendation would be to keep all the applications, cut the FTE in half and give half of the money now and the rest in the future should it become necessary. Secretary Preston replied that if funds are not used by December, the state will lose them.

Co-Chair Bledsoe recognized Senator Breanne Davis for comments. Senator Davis asked if businesses that haven't received any funds since the shut-down will be prioritized when funds are disbursed. Secretary Preston stated that those businesses would fall under the 50 employees or less category and therefore would be considered as such.

*(Secretary Mike Preston had to leave the meeting at this time).*

**Co-Chair recognized Senator Jonathan Dismang for a motion. Senator Dismang made a motion that ALC recommend the full funding request by applicants, for the amount of \$147 million dollars and allow the Co-Chairs of ALC to sign off on approval after the request has been submitted by DFA; additionally any of those funds that are not utilized, in the case a number of entities do not qualify, be returned to the C.A.R.E.S. Act account, and those funds have to carry the same weight and also have an approval as if the funds were not initially transferred.**

**The motion was seconded by Representative Wardlaw.**

Co-Chair Bledsoe recognized Senator Irvin for questions. Senator Irvin asked if we don't have invoices or proof of what the money would be spent on, would Arkansas be required to pay the money back to the Federal government.

Co-Chair Bledsoe recognized Senator Dismang to retract his motion temporarily, to allow questions to be answered by Mr. Larry Walther, Secretary, DFA.

Secretary Walther responded to the Senator Irvin's questions, stating that there would be an audit by the federal government, but also an internal audit by the administration, to ensure that the money was spent properly, and it is possible that if the money isn't spent accordingly, then we may have to pay it back. Secretary Walther further stated that DFA would iterate the importance of keeping the receipts.

**Co-Chair Bledsoe recognized Senator Dismang to restate his motion. Senator Dismang made a motion that ALC recommend the full funding of \$147 million dollars and allow ALC Co-Chairs to approve the request once DFA makes the request for the transfer, and that any funds not utilized be returned to the C.A.R.E.S. Act and any appropriation that has been allowed, be returned, and those funds, too, would require an approval for any other future uses.**

Co-Chair Bledsoe asked if there were questions on the motion. Co-Chair Bledsoe recognized Senator Elliott for questions on the motion.

Senator Elliott asked of Senator Dismang, would he consider the motion, if passed, as creating a precedent should this kind of issue come up later, that the body would be fully funding. Senator Dismang, responded, no, that it would all be based on an individual basis, as this situation is unique, due to the policy and program being developed prior to the approval of ALC.

Co-Chair Bledsoe recognized Representative Robin Lundstrum for questions on the motion. Representative Lundstrum asked why put more money in a program that has failed to do its job. Senator Dismang responded, that he does not want to negatively impact those who do need the full amount of funding.

Co-Chair Bledsoe recognized Representative Jim Dotson for questions of clarification on the motion. After clarification from Senator Dismang, Co-Chair Bledsoe recognized Senator Blake Johnson for questions on the motion. Senator Blake Johnson asked Senator Dismang to amend his motion to allow half of the funds to be released now and the other half to be released in the future, to be proactive in disbursing the funds – to still approve the full amount, but only grant half at this time. Senator Dismang stated that this policy is not exactly what he envisioned, but there are many entities that desperately need help, and the quicker the funds are provided to those entities, the quicker they can open their doors and begin to conduct business again, based on state guidelines. Any additional funding later on can be brought forth by DFA, at that point. Senator Johnson stated his recommendation is a timing issue, not funding. The program is not created to bail out entities, but to help provide PPE and essential supplies, and businesses would more than likely not purchase the equipment all at once. After further discussion, Senator Dismang expressed that he do not intend to change the motion.

Co-Chair Bledsoe recognized Senator Jim Hendren for comments on the motion. Senator Hendren expressed his concerns with not approving the monies requested by AEDC, and spoke in favor of the motion.

Co-Chair Bledsoe recognized Senator Jason Rapert for questions on the motion. Senator Rapert asked, what are the perimeters on what the money would be used for from the C.A.R.E.S. Act. Senator Dismang responded that this particular loan is to be utilized for PPE, cleaning products, and sanitization of the business and not for payroll, normal day to day operations, nor rent or mortgages.

After further discussion on the motion by Senator Will Bond, Representative John Payton, Senator Jimmy Hickey, Representative Josh Miller, Senator Linda Chesterfield, and Senator Dave Wallace, Co-Chair Bledsoe recognized Senator Dismang to pull his original motion and state a new motion.

**Senator Dismang made a motion to fund up to an additional 92 million, as requested by the applicants for the Arkansas Ready for Business Program, and authorize the chairs of ALC to approve the requests by DFA for the transfers, which would include a limitation on the fund amount and the appropriation, additionally recommending that any funds not being utilized ten (10) days after distribution be returned to the C.A.R.E.S. Act fund, and the funds will require the same approval for future uses.**

**The motion was seconded by Representative Lane Jean, and passed by voice vote.**

Co-Chair Bledsoe recognized Senator Jason Rapert for questions. Senator Rapert asked Mr. Hudson to clarify his statements as it relates to churches, stating that the IRS code does not require any church to file a 501(c)(3) in order for persons to deduct their donations. Mr. Hudson responded, that it is a convention for many churches to file for 501(c)(3) status, but they are not obligated to do so.

Co-Chair Bledsoe recognized Senator Trent Garner for questions. Senator Garner asked if there was any type of timeline or estimated date on when businesses can expect to receive funds. Mr. Hudson stated, that while the website was closed about 36 hours from the time of the meeting, that every application will be reviewed and considered, and expect the first round of checks to go out by the end of May 2020.

Senator Garner asked on behalf of Senator Alan Clark, if a business has been audited and found that they owe back taxes, but the decision is under appeal, would the applicant be disqualified, considering they may win the appeal. Mr. Hudson stated that he would have to inquire with DFA and would report back to Senator Clark and ALC.

Co-Chair Bledsoe recognized Senator Larry Teague and Senator Missy Irvin for comments. Senator Irvin asked on behalf of Representative Vivian Flowers, separate from the 100 churches, how many nonprofit businesses applied. Mr. Hudson stated, of the 12,300 applications, 744 applications were from nonprofit businesses. Senator Irvin continued, asking, what were the total amounts requested by nonprofit businesses and churches, and how were nonprofits notified about the grants. Mr. Hudson responded, that those businesses would have been notified the same as all other businesses would have been notified, through general public communication – the Chamber of Commerce, news media, and social media.

After further discussion and comments from members, Senator Irvin made a request for the C.A.R.E.S. Act Steering Committee to make a report to the Arkansas Legislative Council, and Co-Chair Bledsoe agreed.

Co-Chair Bledsoe recognized Senator Kim Hammer for questions. Senator Hammer asked what interaction does AEDC have with the Health Department in regards to decisions that financially impact our businesses because of the limitations that are placed upon them. Mr. Hudson diverted the question to Secretary Preston, who will continue to answer questions at the next ALC meeting scheduled for May 15, 2020.

Co-Chair Bledsoe recognized Representative Laurie Rushing for questions. Representative Rushing asked, what assurance can AEDC provide to improve upon their communication to the Legislative body about initiatives that are underway at AEDC. Mr. Hudson responded, the leadership team that AEDC has, will improve upon informing the Legislative body what is going on at AEDC.

Co-Chair Bledsoe recognized Dr. Charisse Childers, Director, Division of Workforce Services for discussion.

Co-Chair Bledsoe recognized Senator Jason Rapert for questions. Senator Rapert asked for clarification on why supervisors or workers at the management level at Division of Workforce Services were not being additionally compensated, when they are being required to work seven (7)

days a week during this pandemic to ensure that critical matters are being attended to. Dr. Childers responded that they have employees within the office that are exempt and non-exempt employees. The non-exempt employees have been receiving overtime; in the State policy, there is not a way to pay exempt employees overtime. Dr. Childers further stated, however, exempt employees were identified, and through State policy, during this critical event, they were changed temporarily from exempt to non-exempt so that they can be paid overtime.

Co-Chair Bledsoe recognized Senator Joyce Elliott for questions. Senator Elliott questioned if exempt employees, who are being paid “*at some point*” have been made aware that they will eventually be compensated. Dr. Childers stated, yes, they will be notified, as there has been communication with the area operation chiefs, who communicate with the local office managers, who then communicate with the employees, and she too, has been communicating with those managers via email to inform them of their plan of action. Senator Elliott continued with her questions, asking if there was a set amount of the employee’s pay or is there a connection with their current salary. Dr. Childers responded, that when those employees are changed from exempt to non-exempt, they are being paid on an hourly pay, and the overtime will be paid based on the hourly rate.

Co-Chair Bledsoe recognized Senator Hendren for questions. Senator Hendren asked, if the program was open for testing, and if it has been opened, how many people have successfully submitted an application. Dr. Childers stated the program opened for testing on Friday, May 1, 2020 to an email test group which was about 20,000 people. The division has about 15,000 applications in the system and has completed an estimated 11,000 of those applications. Dr. Childers further stated that 2,000 new applications have since then been received and by the end of the day (*May 8, 2020*) she expects to have received a total of 20,000 applications. Senator Hendren continued with questions, asking when will checks be disbursed. Dr. Childers responded, there are three (3) stages to the process, just like the regular unemployment system. The first stage is the application process, the second stage is the eligibility piece, and it is currently being tested, and the last stage would be the disbursement stage. Dr. Childers stated she expects to have disbursements made by the end of May 2020. Senator Hendren expressed that his concern with the unemployment benefit process taking a month to disburse benefits. He asked if there was anything the state legislature can do in order to speed up the disbursements. Dr. Childers responded, that the system was initiated as soon as the guidance was received, and new guidance was received on April 27, 2020, and until the guidance was received, the eligibility piece of the program could not be finalized. The payment portion of the program could not be completed without the eligibility piece first being completed. Dr. Childers further stated that other states that have already disbursed checks, may have been able to do so quickly because they already had modernized systems.

Co-Chair Bledsoe recognized Senator Blake Johnson for questions. Senator Johnson stated that he spoke to someone who said that they were experiencing problems with entering any type of email address into the system, and asked what has been done to correct this issue. Dr. Childers stated that although all known issues have been or will be addressed, some issues can be expected with putting a new system in place and not have time to fully test the system.

Co-Chair Bledsoe recognized Senator Linda Chesterfield for questions. Senator Chesterfield first gave appreciation to Dr. Childers, but then asked if there was any process the legislature could facilitate within other areas of the state to assist her agency in getting the funds out quicker to unemployed individuals. Dr. Childers responded that their agency is engaged with other state

agencies and utilizing all their help to assist with this matter.

Co-Chair Bledsoe recognized Representative Reginald Murdock for questions. Representative Murdock asked if the system was opened to everyone at launch or if it was only made available to the initial 20,000 people who submitted an application. Dr. Childers responded that the system was opened for testing on a Friday, and then brought down on the following Monday to make some adjustments that were identified through testing. The site reopened on Tuesday and the Governor made an announcement of that. The website is [www.arunemployment.com](http://www.arunemployment.com).

Co-Chair Bledsoe recognized Senator Kim Hammer for questions. Senator Hammer asked if Dr. Childers' office been able to identify the eligibility of any of the applicants. Dr. Childers responded that she would provide that number to Senator Hammer in a prompt manner.

After further questions and comments, Senator Hammer requested of the Chair to request Dr. Childers to return for further questioning at the May 15, 2020 Arkansas Legislative Council meeting. Dr. Childers agreed to return to answer additional questions and provide additional information.

Co-Chair Bledsoe recognized Senator Will Bond for questions. Senator Bond asked if the agency engaged with outside assistance or are they only utilizing in-state assistance. Dr. Childers responded that the Department of Workforce Services did a critical emergency procurement process and engaged a contractor that has worked with their state immediately. The emergency procurement and contract was signed on April 14, 2020. The vendor is *Protech*.

Co-Chair Bledsoe recognized Senator Breanne Davis. Senator Davis expressed her concerns with getting payments out as soon as possible to provide some sort of immediate relief to at least the eligible applicants.

Co-Chair Bledsoe recognized Senator Trent Garner for questions. Senator Garner asked what was the total number of people that signed up for the Pandemic Unemployment Assistance. Dr. Childers responded about 17,000 people have applied. Senator Garner continued, asking if a person does qualify, what would be the maximum payment they could receive. Dr. Childers responded that under the law, applicants can receive \$451 as maximum payment for the benefit and \$600 for the FPUC and can submit documentation in their claims back to the date that their businesses were affected to receive a back payment.

Co-Chair Bledsoe made an announcement to remind members to notify their alternates if they do not intend to attend the next ALC meeting.

Co-Chair Bledsoe recognized Ms. Cindy Gillespie, Secretary, Department of Human Services, and Mr. Mark White, Chief of Staff and Legislative and Intergovernmental Affairs, to present.

Secretary Gillespie gave an overview of the appropriation request, stating that the appropriation will be necessary to expend funds allocated by the C.A.R.E.S. Act Steering Committee to help respond to the ongoing COVID-19 Pandemic. She further stated, the three (3) proposals are short-term, time-limited programs, intended to deal with reimbursements and support to health care related businesses.

The appropriation will support the following items:

- COVID-19 Care Continuity Emergency Response Reimbursement payments - \$23,425,000;
- Fund Payments to Nursing Facilities Due to COVID-19 Emergency - \$45,000,000;
- Fund Continuity of CARE Payments for Hospital & Health Care Facility Workers - \$80,000,000.

Secretary Gillespie further stated, the proposal is two levels of payments, done on a weekly basis, that provides enhanced payments to direct care workers, such as CNAs and nurses or anyone engaging directly with the patient, in the amount of \$125 dollars increase a week, if the facility does not have COVID positive patients and the workers are working 20-39 hours, and those who work 40 or more hours would receive a \$250 dollar a week increase. If there is a COVID positive patient in the facility, those payments will double. There is also payment for workers who work 1-19 hours. The payments will be given through May 31, 2020, and the workers will begin to receive payments for the preceding weeks.

After further statements from Secretary Gillespie, Co-Chair Bledsoe recognized Representative Wardlaw for a statement. Representative Wardlaw recused himself from voting on the Fund Payments to Nursing Facilities Due to COVID-19 Emergency for \$45,000,000, due to conflict of interest.

Co-Chair Bledsoe recognized Senator Trent Garner for questions. After discussion, Co-Chair Bledsoe recognized Senator Missy Irvin who had questions and also recused herself from voting on the COVID-19 Care Continuity Emergency Response Reimbursement payments - \$23,425,000.

Co-Chair Bledsoe then recognized Representative Jon Eubanks, Representative Mark Lowery, and Senator Joyce Elliott for questions. After questions and further discussion, Co-Chair Bledsoe recognized Senator Linda Chesterfield for a motion.

**Senator Chesterfield made a motion to approve the three proposals. The motion was seconded by Senator Joyce Elliott and passed by voice vote.**

### Adjournment

At 12:07 p.m., the meeting was adjourned as there was no further business to come before the Legislative Council.

Respectfully submitted,

ATTEST:

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Representative Jeff Wardlaw  
Co-Chair, House of Representatives

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Marty Garrity  
Executive Secretary