



April 20, 2020

STATE FUND

Dear Chester J. Chow,

State Fund is taking additional action to support policyholders and workers affected by the COVID-19 crisis. In addition to the [funds announced last week](#), our Board of Directors voted on Friday to increase our commitment by \$165 million, bringing the total to \$215 million in support.

Additional actions include:

- We have doubled the size of the [Essential Business Support Fund](#), bringing the total to \$50 million. Since announcing the fund, State Fund has received over 800 applications for COVID-19 workplace safety support funds. The first several payments, all at the maximum \$10,000 reimbursement, were sent to qualified applicants last Friday, April 17.
 - We have created a new, \$50-million fund for businesses deemed non-essential by Governor Newsom's executive order. The **Returning California to Work COVID-19 Safety Protocol Fund** will operate similarly to the Essential Business Support Fund, and will help non-essential businesses once the statewide stay-at-home restrictions are lifted. This fund will provide grants to qualified policyholders to help defray the costs of safety-related expenses, planned or already incurred, related to protecting
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their workforces from COVID-19. Individual grants can total up to \$10,000 or two times the policyholder's premium, whichever is less. Applications for this fund will be made available at StateFundCA.com after statewide stay-at-home restrictions are lifted.

- Effective immediately, State Fund will accept any claim by an essential worker—as defined by Governor Newsom's Executive Order N-33-20—for a diagnosed case of COVID-19 regardless of whether or not that worker can demonstrate the virus was contracted during the course of employment. The diagnosis must include a confirmed positive test for COVID-19 and must occur during the period of time between when the Governor issued his stay-at-home order and before that order is lifted. This action effectively replaces the Essential Worker Support Fund announced earlier this week as all employees who would have been covered under that fund are now entitled to full workers' compensation benefits. State Fund currently estimates these added benefits will require approximately \$90 million in addition to the previously committed funds for a total of \$115 million. State Fund will still provide temporary disability benefits to any covered essential worker who must self-quarantine if they are not covered by another source.

State Fund is proud to stand with the essential workers who are risking their lives every day to hold our communities together and we will continue to look for additional ways in which we can provide support.

We value your business and we encourage you to share this information with our mutual clients. We will send [this information](#) to our policyholders this afternoon.

If you have any questions, please don't hesitate to contact your Senior Marketing Representative.

Thank you,

Vern Steiner
President and CEO



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