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Testimony of Arthur Towers

Before the Joint Interim Committee on

The First Special Session of 2020

In Opposition to Section 33 of LC 84 and Section 41 of LC 45

(Denial of Rights to Victims Exposed to Covid-19 in Hotels and Motels)

June 22, 2020

Thank you for the opportunity to testify today in opposition to Section 33 of LC 84. This grants immunity from liability to hotel and motel owners that enter into sheltering arrangements to accept people with Covid-19 who are in quarantine.

Hotel and motel owners should be required to comply with PPE and social distancing guidelines in order to qualify for the immunity. Section 33(1)(d)(B) states that the agreement must contain language requiring the company to adhere to these guidelines. However, nothing in the bill restricts the immunity if they neglect to follow these guidelines. The legal standards set out in (3)(a) of gross negligence, willfulness, maliciousness, intentionality, fraudulence would preserve the immunity for hotel operators who neglect to follow the guidelines.

Low-wage workers in the facilities – disproportionately women of color -- are completely at risk. It will be very difficult to prove that the worker contracted Covid-19 on the job even with the exposure that could result in this set of circumstances. Therefore, the provisions allowing the infected worker to file for workers' compensation are hollow. These workers are less likely to have robust health insurance or paid time off. They are more likely to feel the economic need to go to work sick. They are more likely to feel the pressure to go to work in unsafe conditions. If immunity is granted to the facility, then the workers should be presumed to contract Covid-19 on the job for the purposes of workers' comp coverage. Workers should be protected if they want to The hotels and motels could conceivably see their workers' comp premiums rise in the future. The insurance industry is proud of the fact that workers' comp premiums have been

declining for decades. <u>If</u> there is an increase in premiums in the future, that is a small price for the industry to pay for this infusion of cash when they need it the most.

Other customers in the hotel are granted no notice that they are purchasing a room at a site that is a quarantine shelter. Consumers should be able to make an informed decision about whether or not they want to accept this risk.

The hotels and motels are being paid if they step up to provide this community service. The payments come at a time when the industry is foundering. It is only fair that as a condition of receiving the payments that they be held accountable for failure to meet social distancing and PPE guidelines, and that their workers who are at high risk of exposure be afforded medical care if they get sick.

This effort to infringe on the rights of individuals in this time of crisis is a test for the legislature. In times of crisis, this nation has seen a rush to trample basic Constitutional rights like the 7th Amendment right to a trial by jury. Make no mistake: this would limit the 7th Amendment rights of people harmed by the hotels and motels.

We urge the Committee to remove Section 33 from LC 84 and Section 41 from LC 45.