

Congressional COVID-19 Testimony  
June 2, 2020

Thank you, Mr. Chairman (Representative Frank Pallone, Democrat-New Jersey), Ranking Member Greg Walden (Republican-Oregon), and Members of the Committee for the opportunity to share with you about our efforts to mitigate the spread of COVID-19 in Arkansas. Our fight against COVID-19 began in earnest on March 11 when testing revealed Arkansas's first case. I declared an emergency that day. From that moment, we took progressive and appropriately aggressive measures to minimize the impact of the coronavirus in Arkansas.

We had a dual mission. Our number one mission was to protect the health of our citizens, especially those who were deemed to be most at risk.

Our second mission was to protect the state's economy.

We took COVID-19 seriously from day one. As we imposed restrictions, I was guided by the data, by the experts, by my Secretary of Health, and by guidance from the White House and the CDC.

Before I talk about our philosophy and approach to fighting the virus, I'd like to discuss how we handled testing in Arkansas.

Testing is our first line of defense, our radar. Once we had identified the enemy, testing allowed us to track it. Testing is an early warning system for new outbreaks.

Our approach to testing has evolved and greatly improved, which has been the case all over the nation. In the early days, when the supply of kits appeared to be limited, we focused testing on those who showed symptoms of COVID-19 and those who had contact with those who had tested positive.

As we grew confident in the supply of kits and reagents, we broadened our testing. I have repeated a simple message: "If you think you have symptoms, don't wait—get tested."

To ensure that Arkansas was staying ahead of the testing curve, in mid-April I created the Testing Advisory Group to increase testing in Arkansas.

The members of the group quickly offered four recommendations:

- Expand testing for all patients with symptoms consistent with COVID-19 and those with history of potential exposure.
- Expand testing for contact investigations.

- Increase testing in high-risk settings, such as long-term-care facilities.
- Develop a strategy for statewide serosurveillance.

One of the easiest and most important of my tasks as Governor was to keep the state focused on the importance of testing, so I set goals as a way to focus attention and keep interest. On April 23, I initiated a two-day Arkansas Surge to increase testing from 1,000 tests to 1,500 tests a day over two days. Then, in late April, I announced a goal of testing 60,000 people in the month of May. By May 27, we had topped 66,000 tests. That is more than two percent of our population tested in a month.

Hospitals, health centers, and companies in the private sector have partnered with the state to provide testing sites. Walmart has set up seven testing sites in its parking lots. Community Health Centers committed to provide more than 2,000 test collections per week in May to help us reach the 60,000 goal. Their health centers offered multiple testing sites, including drive-through screenings and testing tents, all free of charge.

Just this past weekend, the Department of Health hosted free screenings in seven cities to anyone who requested a test. We are testing at local health units across the state.

Through the expanded testing, we have pinpointed hot spots in the state. We discovered a spike in Northwest Arkansas with a high incidence in the Hispanic community. That told us we needed to improve our messaging to that community.

Our radar allowed us to know where to go.

In combination with the expanded testing, we have developed the infrastructure and personnel for contact tracing. We have increased our contact tracing team from three nurses in March to more than two-hundred who are tracking people who have had contact with someone who was ill or tested positive.

My goal is that by autumn we will have tested far more than 10 percent of our population.

Arkansas is not a monolith.

We quickly learned that there is not a single strategy that works for every state. In fact, each region in Arkansas has a different population density and other factors to consider as you take action.

So we did not take a one-size-fits-all approach as we studied what activities and businesses to limit and how to go about that. Different industries and businesses required different limitations.

Early on, we prohibited visitors to nursing homes, even by family members.

This was a terrible hardship that affected a member of my staff, whose father was in a nursing home. She wasn't allowed to see him for weeks, even though it was clear his health was deteriorating daily.

We prohibited elective surgery so that we could preserve our supply of personal protective equipment for front-line workers who were dealing with the virus. We also wanted to ensure that our hospitals had a sufficient number of beds and ventilators.

We closed schools. Initially, I closed schools in four counties in Central Arkansas for several weeks. Eventually, we closed all public schools in the state through the end of the academic year.

I became increasingly alarmed at the potential threat COVID-19 posed to our economy. Before COVID-19, we had enjoyed months of historically low unemployment rates, and our economy was thriving.

We have a lot of industry. Many retail and trucking companies are based in Arkansas. Arkansas has a solid foundation of small businesses. Like certain populations that were more at risk from COVID-19, our small businesses were at a higher risk of long-term or irreversible damage if we were to shut down our economy.

One of my most significant decisions was to resist the pressure to issue a stay-at-home order. As the national call for shelter-in-place orders increased, the unemployment rate in Arkansas had jumped from 3.6 percent at the beginning of the year to 5 percent in March. By mid-April, the rate had doubled to 10 percent. Our business and our workers were hurting.

My public-health team advised that a stay-at-home order would not significantly slow the spread of COVID, and I knew a stay-at-home order would cost thousands more Arkansans their jobs and possibly cause more small businesses to close permanently.

We concentrated on sending strong messages encouraging Arkansans to follow social distancing guidelines, wash their hands often and well, and to wear masks in public. I trusted the citizens of my state to act responsibly in their personal choices.

Some segments of business could contribute to the spread, and we considered them and restricted or closed them on a case-by-case basis.

As we proceeded cautiously into uncharted territory, we targeted our remedies at specific areas that were suitable to Arkansas's unique needs.

We calculated which businesses and personal activities presented the highest risk of spreading the virus. Restrictions that were appropriate for a barbershop weren't necessarily good for a hardware store.

Many of the measures we put in place were more stringent than other states, even those with stay-at-home orders.

The typical stay-at-home order exempted essential activities and businesses. In many states, essential activities include manufacturing, hardware stores, and legal, accounting, and insurance services. Every morning in California, which imposed one of the strictest orders to shelter in place, millions of people left home for work.

If I had initiated a stay-at-home order similar to California's, more than 700,000 Arkansans would have been exempt and would have got up every morning and gone to work. Thousands of others would have left home to buy nails at the hardware stores or to shop at Kroger, Walgreens, and Walmart.

Our targeted approach has worked for us. To date, the number of cases and deaths in Arkansas are far below the projections; 680 individuals have been hospitalized, and one-hundred-twenty-seven have died. Our rates are among the lowest in the nation. Our hospitals never came close to filling up. Our supply of ventilators was more than adequate; we even offered to send five brand-new ventilators to Louisiana.

We kept our numbers low by offering firm and sound guidance, by closing what we had to, and by trusting Arkansans to do the right thing out of consideration for their neighbors as well as for their own health. We advised against gatherings of more than ten people. That included places of worship.

We did order certain businesses to close. That list includes:

- Schools, bars, and the state's three casinos.
- Restaurants, although we allowed take-out meals.
- Barbershops, and hair and nail salons, massage-therapy clinics, tattoo parlors.
- Fitness centers, movie theaters, bowling alleys, and indoor amusement centers.
- State park lodges and campgrounds.

Hotels and motels were prohibited from leasing rooms to out-of-state travelers except those who could show they were in the state to work.

We encouraged state and private-sector employees to work from home when possible. Most members of my staff have been working from home since March 23.

On April 28, I made the first announcement about a limited lifting of restrictions. I announced that state parks would reopen on a limited basis. These other announcements followed:

- On April 29, the limited reopening of restaurants for sit-down dining;
- On April 30, gyms and fitness centers;
- On May 1, barber shops, salons, clinics, and other services.
- On May 4, indoor venues such as theaters, arenas, stadiums, and auction houses with fewer than fifty participants.
- On May 7, the state's three gaming casinos.

In May, I created the Economic Recovery Task Force with a mandate to find the best path to economic recovery. The Task Force identified its three constituencies:

**Citizens.** This covers everyone. The task force made a priority of providing all Arkansans clear and concise information about best practices, guidance, and measures that are in place to allow the state to safely return to in-person activities.

**Employees.** The task force is working to identify and eliminate barriers to a safe return to work.

**Employers.** Many businesses and other private-sector organizations have endured severe economic disruption. The task force will seek to provide all employers the tools, resources, and information they need to move forward.

In its first report, which the task force submitted to me last week, the members see cause for optimism that Arkansas will make a gradual economic recovery, but we have much work to do.

Until COVID-19, our economy had been booming. For months, our unemployment rate had remained at the historically low level of 3.6 percent, which is where it was at the start of 2020. By the end of March, the rate had increased to 5 percent. By mid-April, the rate had doubled to 10 percent.

We had 207,000 initial unemployment claims. We have 119,000 continued claims. We anticipate a 13.4 percent decrease in consumer spending for the second quarter.

We have lost thousands of jobs. In the lodging industry, for instance, we lost 5,536 direct jobs and 19,626 indirect support jobs.

A report from the National Governor's Association estimates that at the peak of business disruption in mid-April, approximately 35 percent of Arkansas's small businesses were closed, or about 17,000 Arkansas-based small businesses were shuttered and continue to face challenges and uncertainties. Although some have reopened since the mid-April peak, as of May 14, an estimated 22 percent of Arkansas's small businesses remain closed.

The US Census Bureau's Economic Pulse Survey from May 7-12 found that 39 percent of Arkansans report they have lost some income since mid-March; 23.3 percent more Arkansas households report they have experienced "housing insecurity" since the onset of COVID-19.

The Bureau of Labor Statistics estimates that Arkansas lost 9,600 manufacturing jobs between February and April 2020. This 5.6 percent drop is comparable to the rate of loss during the 2008 recession. With 150,600 employed in manufacturing, Arkansas's manufacturing employment stands at its lowest level since at least 1990.

The University of Arkansas's Agriculture Division reports a substantial decline in Arkansas's tourism-related economy.

That's a picture of the challenge that lies ahead. Here is what Arkansas is going to do.

The Arkansas Department of Commerce led an effort to utilize federal funds allocated to the State through the CARES Act to provide \$147 million for businesses in Arkansas across all industry sectors.

With a maximum grant amount of \$100,000 per business, 12,234 companies and organizations applied for grants. To date, 10,537 companies and organizations have been approved to receive funding.

Funding can be utilized to cover eligible expenditures including Personal Protective Equipment (PPE) and no-contact thermometers for employees and customers, no-contact Point of Sale (POS) payment equipment;

Supplies and disinfectants to initially deep clean premises and for use on an ongoing basis. Other eligible uses included: expenses associated with hiring a third party to perform periodic deep cleaning services, hand sanitizer stations, restocking of necessary supplies/raw materials, expenses

associated with reconfiguring business to meet recommended health and safety guidelines, signage, marketing and other one-time expenses associated with reopening or resuming normal operations.

The Ready for Business grant funding will support the retention of 196,001 full-time jobs and 50,220 part-time jobs. The program was especially successful at meeting the need of smaller entities with businesses and organizations of fewer than 50 employees accounting for 94.5 percent of the applications.

The other matters that the task force will address:

- Liability protection for business owners.
- Affordable childcare.
- Workforce training.
- Expanded rural broadband.
- Formulation of guidance for K-12 education, higher education, and use of school facilities.
- Enhanced capacity for testing and tracing.
- Contingency planning in the event of a virus outbreak later in the year.
- Ensuring the food supply system remains intact.
- Growing consumer confidence.
- Advising on guidance for moving to Phases 2 and 3 as health indicators warrant.
- Recommendations for additional economic stimulus and/or legislation.
- Recommendations on regulatory changes that need to be extended or maintained post-emergency, such as tele-health, logistics, infrastructure, and zoning.

## **Conclusion**

Let me conclude by mentioning one goal for the month of June. we plan to test every resident and staff person in all the nursing homes in Arkansas. This is our most vulnerable population, and we want to do everything possible to keep them safe.

Thank you.