

March 13, 2020

TO: USTOA Active Members
FR: Terry Dale

Below is Elevate's (USTOA's lobbying firm) broad update on what is happening within Congress and the Administration in response to COVID-19. They have also included some information on industry response as well. We will share more tailored, shorter updates on status or specific issues as the day goes on.

March 13, 2020 – Update at 5:00pm ET
Administration

- The President, this afternoon, declared a National Emergency as provided by the Stafford Act.
 - This move unlocks FEMA's disaster relief fund, which has a balance of more than \$50 billion, to help accelerate the response to the Coronavirus.
- In addition, the President announced that he is waiving interest that accrues on all federal student loans until further notice.
 - This will provide monetary relief to more than 42 million Americans who owe money on their federal student loans.
- The President also indicated that the Coronavirus testing website, which is being built by Google, will go live Sunday night.
 - The website will help screen Americans to determine if they need to be tested, and also direct them to the nearest testing site, if necessary.
- The President also stated that the Administration will be putting out a document summarizing the Administration's steps and efforts to date, and noted that other actions would be forthcoming.

Congress

- As for negotiations on the House package, Speaker Pelosi held a press conference this afternoon in which she outlined the package the House plans to pass today, which we provided earlier today.
- Speaker Pelosi did not indicate that a deal had been reached with the Administration. It is being reported that negotiations are ongoing.
- The President also mentioned that the Administration is not yet comfortable with the legislation and that conversations continue.
- Another announcement on the House bill is expected soon, but timing of a vote is still unclear.

March 13, 2020 - Update at 2:30pm ET

The President is expected to declare an emergency during his speech at 3p EST. This National Emergency under the Stafford Act would bring in FEMA to help lead the response to the coronavirus and would unlock FEMA's disaster relief fund, which has a balance of more than \$40 billion.

Also, Speaker Pelosi just issued a statement on the House package. As of this writing, there is no deal between the Administration and Speaker Pelosi. Her statement mostly covered points that were included in our update from this morning. As such, the House has yet to vote on the package.

March 13, 2020 - Update at 11:00am ET

Administration

- On Friday, the Administration took further steps to streamline the federal government response to the COVID-19 outbreak:
 - The Food and Drug Administration will allow New York state to authorize public and private labs to begin testing.
 - The FDA will also authorize labs to run tests on Roche's high-volume platform, and create a 24-hour hotline for labs if they can't get authorized tests, need to process tests or have issues validating a test.
 - Admiral Brett Giroir, Assistant Secretary for Health at the Department of Health and Human Services, has been named testing czar and has been tasked with coordinating testing efforts among public health service agencies.
- In addition to sweeping closures in multiple states, the governors of Ohio, Kentucky and Maryland all announced statewide school closures on Friday.
- Restricted travel to foreign nationals who have been in the Schengen Area, 26 countries in Europe with open borders agreements, in the last 14 days.
 - U.S. Americans who are returning from that region will be scanned at the 13 airports currently scanning inbound travelers.
- Deferred tax payments for certain individuals and businesses negatively impacted by the coronavirus.
 - This action will provide more than \$200 billion of additional liquidity to the economy.
- Calling for payroll tax relief
- Instructed the Small Business Administration (SBA) to exercise available authority to provide loans to businesses affected by the coronavirus.
 - The President is calling on Congress to increase funding for this program by an additional \$50 billion.

Congress

It is important to note that the package set to be passed by the House on Friday is likely not the last package that will be passed by Congress in response to the COVID-19 virus. It is likely that some multi-industry response package will be passed to aid industries, such as travel and tourism industry writ large, but specifically the airline and cruise industry, that have been hit most by the virus.

Insurers may also need federal assistance given the large number of claims they may be required to pay as large-scale events are canceled. Congress may also need to provide mortgage and student debt relief.

The Senate currently expects to be in session next week after Majority Leader Mitch McConnell postponed the scheduled recess.

House

According to communication sent to the House Democratic Conference from House Speaker Nancy Pelosi (D-CA) late Thursday night, the following provisions are included in the Families First Coronavirus Response Act, the COVID-19 response package expected to be passed by the House today:

- Free coronavirus testing for everyone who needs a test, including the uninsured. In negotiations with the Administration, House Democrats insisted that all people who need to be tested, according to a medical professional, have access.
- Paid emergency leave, with both 14 days of paid sick leave and up to three months of paid family and medical leave.
- Enhanced Unemployment Insurance, a first step that will extend protections to furloughed workers.
- Strengthened food security initiatives, including SNAP, student meals, seniors' nutrition and food banks.
- Increased federal funds for Medicaid, as states face increased costs.

Speaker Pelosi is expected to announce this morning that she and Treasury Secretary reached a deal and that the legislation had administration support. The current plan is for the House to pass the legislation under suspension of the rules, meaning the legislation would need a two thirds majority to pass. The Senate expects to pass the package next week.

Senate

- Senator Patty Murray (D-WA), the Ranking Member of Senate Committee on Health, Education, Labor, and Pensions, on Friday unveiled a \$2.7 billion aid package for schools and universities who are closing in response to the COVID-19 outbreak. Specifically the legislation calls for:
 - \$600 million per year in grants to states to help with emergency response efforts at schools or colleges, including cleaning and sanitizing facilities and providing other support services.
 - \$300 million to help early child care programs respond to COVID-19 and maintain operations during the outbreak.
 - \$600 million per year in emergency financial aid to college students affected by the Covid-19 outbreak, including to help cover gaps in basic needs like housing, food and child care. It would also exempt students from having to pay back Pell Grants or federal student loans that they used to pay for a semester that was disrupted by the global pandemic.
 - The \$2.7 billion cost would be over two years.
- Senate Democrats also unveiled a [proposal](#) Wednesday afternoon.
- Sen. Cantwell's office announced late Wednesday that there was at least one staff member who was diagnosed with the virus.

Office Buildings

- The Capitol complex, including House and Senate office buildings, has been closed to the public through April 1. The closure took effect at 5pm Thursday.

Airlines

The three major domestic airlines are continuing to update their schedules regularly. Below are the three most recent updates:

American

American Airlines announced late Thursday night that additional schedule adjustments would be implemented in response to decreased travel demand due to coronavirus (COVID-19). The company plans to:

- Reduce international capacity for the summer season by 34% versus the previous selling schedule, including a 50% reduction in April trans-Atlantic capacity.
- Continue to operate flights to and from Europe for up to seven days to ensure customers and employees can return home.
- Reduce service to South America, including a suspension of flights to Argentina.
- Suspended flights are expected to resume as early as May 7.

More detail on specific destinations is available here: <http://news.aa.com/news/news-details/2020/American-Airlines-Announces-Additional-Schedule-Changes-in-Response-to-Customer-Demand-Related-to-Covid-19-031220-OPS-DIS-03/default.aspx>

United

- United will continue to fly its regular schedule from Europe to the U.S. through March 20. After that, United will fly daily to Zurich, Brussels, Paris, Amsterdam, Manchester and Edinburgh, maintain multiple flights to Frankfurt and Munich, and operate 18 daily flights to and from London, three to Dublin and four flights a week to Lisbon, all while continuing to monitor demand. Schedule changes will take place this Saturday, March 14.
- United Airlines has waived all change fees for tickets issued on or before March 2 for trips occurring between March 9 and April 30.
- United has also implemented a policy of no change fees for 12 months on any travel booked between March 3 and March 31.

More specific information about travel waiver details, and up to date information can be found here: <https://www.united.com/ual/en/us/fly/travel/notices.html#intl-travel-updates>

Delta

- Delta will operate a nearly full schedule of flights from continental Europe to multiple U.S. gateways through Sunday, March 15, to ensure eligible customers can return to the United States as the airline responds to a new U.S. government travel directive.
- After Sunday, Delta will fly a significantly reduced U.S.-Europe schedule while monitoring customer demand. Earlier Thursday, the airline announced plans to suspend flights scheduled to operate from Europe to Cincinnati, Indianapolis, Orlando, Portland, Raleigh-Durham and Salt Lake City after Friday, March 13 given the presidential directive that limits inbound travel from Europe to 13 airports.
- Delta is capping fares for travel to Europe through March 20, and the airline has also waived change fees for customers traveling to, from or through Europe and the U.K. through May 31.

More specific information can be found here: <https://news.delta.com/category/coronavirus-covid-19>
<image003.jpg>

Cruise Lines

Princess Cruise Lines and Viking Cruises are suspending operations due to coronavirus, they each announced Friday morning.

Princess Cruise lines will pause its operations through May 10 and, according to a statement from President Jan Swartz, “allow customers to transfer 100% of the money paid for their cancelled cruise to a future cruise of their choice. To add a bonus incentive for guests to accept this offer, the company will add an additional generous future cruise credit benefit which can be applied to the cruise fare or onboard expenses.”

Viking has said cruises will be suspended through April 30 and that customers can receive a full cash refund of a transferable credit worth 125% of what they originally paid.

Amtrak

Amtrak continues to operate 300 daily trains, including more than 100 in the Northeast Corridor. However, Amtrak has temporarily suspended the below routes due to reduced demand:

- Three trains that operate between New York and Washington (Trains 2401, 2402, 2403). All three of these trains have alternate services available 30 minutes before and after their scheduled departure.
- In coordination with the Pennsylvania Department of Transportation, starting Friday, March 13 Keystone Service will operate on a reduced schedule, with no service to the Ardmore Station. Eighteen daily Keystone trains will still operate during the week (9 in each direction), as will the

typical service of two daily Pennsylvanian trains. All trains will remain in service on the weekend. This schedule reflects the “S” schedule or special schedule that Keystone Service has set for severe weather or other service disruptions. See the complete modified Keystone Service schedule.

More details can be found here: <https://www.amtrak.com/planning-booking/policies/coronavirus.html>