May 11, 2020

TO: USTOA Members

FR: Terry Dale

Below is our COVID-19 Update for May 11, 2020:

**Congress**

**Updates at 7:00pm ET**

* The House Democrats’ legislation focusing on additional COVID-19 relief may be available as soon as tomorrow.
* Details on when the House will return to potentially vote on COVID-19 relief legislation remain unclear. House Majority Leader Steny Hoyer (D-MD) told the Democratic caucus on a call this afternoon that the House could still vote Friday.
* Senate Republican Leader McConnell has stated he will not take up the bill at this point.
* Elevate has learned that the Senate Armed Services Committee plans to markup the Fiscal Year 2021 National Defense Authorization Act (NDAA) the week of June 8. The markup had originally been planned for May 18.
	+ In the House, the Armed Services Committee originally planned to mark up the legislation on April 30 but has since postponed that executive session.
* Nearly 120 House members and hundreds of organizations continue to put pressure on Congress to include mandatory funding for the Land and Water Conservation Fund, in addition to billions in funding to address the maintenance backlog in national parks and public lands, in the next round of COVID-19 relief legislation. A recent letter led by Reps. Joe Neguse (D-CO), Brian Fitzpatrick (R-PA), Joe Cunningham (D-SC) and Derek Kilmer (D-WA), which was sent to House and Senate leadership, can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/parks-and-lwcf-covid-letter.pdf).
	+ A vote on the package S. 3422 – The Great American Outdoors Act, led by Sens. Cory Gardner (R-CO) and Steve Daines (R-MT), was scheduled for March, but was derailed by the pandemic.
	+ Additionally, more than 800 organizations, including the Defenders of Wildlife, the National Park Foundation, Sierra Club and Theodore Roosevelt Conservation Partnership, on Monday released a letter to leadership urging them to enact the legislation “as quickly as possible.” That letter can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/support-for-the-great-american-outdoors-act.pdf).

**Updates at 11:00am ET**

* House Democrats continue to draft their next COVID-19 relief package which could be ready for a floor vote late this week. The topline number may exceed $2T. We expect the legislation to be released as early as late tonight or tomorrow. Details continue to be sparse, but some reports indicate that the package could include:
	+ Around $1T for state and local governments with funds split into multiple categories to ensure that all communities have access to the relief.
	+ Additional funds for hospitals and testing.
	+ Around $25B to support operations for the U.S. Postal Service.
	+ Expanded nutritional benefits, Medicaid funding, and unemployment insurance.
	+ Additional funding for direct payments to Americans.
* Talks continue as to when the House will vote on a package. Leader Hoyer has said members will get 72 hours' notice to return to vote. Reports from this morning indicate that the House will not return before Friday at the soonest.
* Timing for introduction and passage have already slipped and there remains a possibility that a vote could slip to next week.
* Republicans continue to adopt a “wait and see” posture before committing support for additional relief.
* The Senate is in session today at 3pm to resume consideration of nominations with a vote later this evening. The House remains out of session.
	+ There continues to be no concrete indication as to when Speaker Pelosi will call members back to Washington DC, but we continue to believe it will be in conjunction with a vote on the next relief package.
* The Senate Health, Education, Labor, and Pensions (HELP) Committee is hosting a virtual hearing Tuesday entitled “COVID-19: Safely Getting Back to Work and Back to School,” which will feature testimony from Dr. Anthony Fauci, Dr. Robert Redfield, Dr. Stephen Hahn, and Dr. Brett Giroir.
* Republican House Members continue to push back on stay-at-home orders, citing a lack of evidence that the restrictions will curb the spread of the virus. Most recently, Reps. Jody Hice (R-GA) and Andy Harris (R-MD) expressed that sentiment. Additionally, Reps. Debbie Lesko (R-AZ) and Andy Biggs (R-AZ) have raised their belief that some elected officials, and law enforcement, are abusing their power.
* The House Energy and Commerce Committee is hosting a “teleconference forum” on Tuesday, featuring Federal Trade Commission (FTC) Chairman Joseph Simon. It will focus on how the FTC is protecting consumers during the COVID-19 pandemic. It will be structured like a hearing, but will only be conducted via audio. There will not be a formal Committee transcript.
* On Thursday, the House Energy and Commerce Committee will hold a hearing on scientific integrity with former Director of the Biomedical Advanced Research and Development Authority Rick Bright.
* Lawmakers and aviation workers’ unions have heavily criticized some airlines, including United, for reducing worker hours amid the COVID-19 pandemic, arguing that relief that was provided under the CARES Act was intended to prevent these reductions.
	+ Senate Minority Leader Chuck Schumer (D-NY), Senate Commerce Committee Ranking Member Maria Cantwell (D-WA) and Senate Banking Committee Ranking Member Sherrod Brown (D-OH) sent a letter to Treasury Secretary Mnuchin last Thursday urging the Treasury Department to issue guidance highlighting that hours reductions are not consistent with the CARES Act’s intent.
* House Homeland Security Chairman Bennie Thompson (D-MS), House Transportation and Infrastructure Chairman Peter DeFazio (D-OR), House Transportation and Maritime Security Subcommittee Chairman Luis Correa (D-CA), House Aviation Subcommittee Chairman Rick Larsen (D-WA) and House Border Security, Facilitation and Operations Subcommittee Chairwoman Kathleen Rice (D-NY) sent a letter to Secretary of Transportation Elaine Chao and Acting Secretary of Homeland Security Chad Wolf on Friday asking for their two departments to form an interagency working group to better coordinate COVID-19 response.
* House Railroads, Pipelines and Hazardous Materials Subcommittee Chairman Dan Lipinski (D-IL) and Reps. Tom Malinowski (D-NJ) and Chris Pappas (D-NH) on Friday introduced legislation creating a marketplace for states to sell toll credits to fund state and regional transportation projects.
	+ Under current law, states can only use toll credits they accrue to cover local matches for federally funded projects within that state, which the House sponsors argue means that some credits remain unutilized.
	+ Sen. Jeanne Shaheen (D-NH) introduced the legislation in the Senate in November 2019.

**Administration**

**Updates at 7:00pm ET**

* Reportedly, the White House is requiring all West Wing staff to wear masks any time they are in the building. It is unclear whether the President and Vice President will be following the same guidelines.
* Three oil refineries and a pulp and paper plant are the first to report delaying emissions quality control checks because of the coronavirus pandemic under a recent Environmental Protection Agency (EPA) [rulemaking](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f04%2f22%2f2020-08581%2fcontinuous-emission-monitoring-quality-assurance-requirements-during-the-covid-19-national-emergency&c=E,1,ihRbBvH-99Ww4miM1eW3rsRwbUZPjW-2cSkowqnrNXjf_pkDCD_xXgnd_IaB8jWHEZgPStohAfvWvgcEbhZ1hJSAtAxLfhzs5Xhl4syHzBIN3D0fB9jY6jhgy0s,&typo=1" \t "_blank).
	+ EPA’s rule allows plant owners to avoid having to use up pollution allowances if they are unable to conduct regularly required quality assurance tests because of access restrictions, personnel shortages or other complications due to the virus and its social distancing requirements.
* The Federal Aviation Administration (FAA) rescheduled their safety townhall for this Thursday, May 14th from 2 pm to 4 pm. More information on the Town Hall, and sign up, can be found [here](https://www.eventbrite.com/e/aviation-safety-town-hall-tickets-105019835154%22%20%5Ct%20%22_blank).

**Updates at 11:00am ET**

* Airlines for America and several of its member airlines have called on the Transportation Security Administration (TSA) to conduct temperature checks at airports. Our intelligence indicates that TSA is considering implementing these temperature checks at some airports with a pilot program.
* Treasury Secretary Steven Mnuchin again voiced the Administration’s support for a payroll tax cut in a future COVID-19 relief package on Sunday. The tax cut, which has also publicly been supported by President Trump, has not garnered support among GOP lawmakers in the Senate.
* The Administration reasserted a previous sentiment over the weekend that another stimulus package right now is “premature” from their perspective. Further, the Administration believes this time should be used to “learn more about what’s going on so that the next step that we take can be prudent.”
* Reportedly, a few companies have been able to take advantage of the Administration’s tariff payment deferral.
	+ One main issue leading to the lack of benefit was that the announcement that tariffs were being deferred came just 48 hours before tariff payments were due, leaving insufficient time to complete the necessary paperwork.
	+ Another significant issue was that the deferral only applied to tariffs charged on certain imports in March and April and companies could not recoup any payments they had made before April 19, when the 90-day deferral was announced. This meant that companies who had made tariff payments earlier in the month were unable to benefit.
	+ Companies and industry groups are now asking the Administration for an extension on the 90 days.
* Two staffers who are frequently near President Trump and Vice President Pence have tested positive for COVID-19. In response, the White House is now testing everyone who may come into contact with the President. President Trump and Vice President Pence are being tested daily – both tested negative after the most recent infections were discovered.
* Food and Drug Administration Commissioner Stephen Hahn will self-quarantine for fourteen days after exposure to the virus through White House Spokesperson Katie Miller. Miller tested positive this past Friday. Additionally, Centers for Disease Control and Prevention Director Robert Redfield and Dr. Anthony Fauci disclosed plans over the weekend to isolate over the next two weeks after low risk contact with an infected person.
* The Coronavirus Task Force is still intact, but it has not held a press briefing for 13 days – the longest the public has gone without hearing from Dr. Fauci or Dr. Deborah Birx since the briefings began in late February.
* The President is scheduled to travel to Philadelphia, PA later this week and two Governors are set to meet with the President at the White House – North Dakota Governor Doug Burgum and Colorado Governor Jared Polis – to discuss COVID-19 response.
* As we have reported, the Small Business Administration’s (SBA) Inspector General continues to reveal issues with the agency’s implementation of the Paycheck Protection Program (PPP). Specifically, the Inspector General indicated that SBA failed to give guidance to lenders about underserved and rural markets and, as a result, borrowers (including rural, minority, and women-owned businesses) may not have received loans as intended. A full Wall Street Journal report on the Inspector General report can be found [here](https://www.wsj.com/articles/sba-veered-from-guidelines-on-small-business-loans-report-says-11588971101?mod=hp_lead_pos5" \t "_blank).
* Treasury Secretary Mnuchin indicated on Sunday that unemployment could rise as high as 25% and that unemployment numbers will likely get worse before they get better.
	+ According to this past Friday’s Labor Department Report, the U.S. economy shed a record 20.5 million jobs in April alone.
* The Federal Reserve Board published [updates](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalreserve.gov%2fnewsevents%2fpressreleases%2fmonetary20200511a.htm&c=E,1,S9eFjlAEy-wcwNlNMp0hMgBrp592Ss-DWbqyhx686-WPulpcz2S9XI8gYA6PjxJlTK961pfnC-TdhP1i7263sTOe6Rwb3O_fyotCGX6q1w,,&typo=1" \t "_blank) to the term sheet for the Municipal Liquidity Facility (MLF) to provide pricing and other information.
* Federal Register Notices
	+ The Small Business Administration amended its regulations to implement a statutory requirement to certify Women-Owned Small Business Concerns (WOSBs) and Economically Disadvantaged Women-Owned Small Business Concerns (EDWOSBs) participating in the Procurement Program for Women-Owned Small Business Concerns. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f11%2f2020-09022%2fwomen-owned-small-business-and-economically-disadvantaged-women-owned-small-business-certification&c=E,1,7jDChFWr6xVHOQs9_657UrDS8dau1TvRC98ZkLx6jeNa8J14wMOEVtqKf2KAoj8bRoBcWUg32NKbvn0WgrIwhTyHrnuTyNcT-qVbpQO4v2gD-ZSW&typo=1" \t "_blank) .

**Other News**

**Updates at 7:00pm ET**

* The American Hotel & Lodging Association, Airlines for America, the American Gaming Association, the International Association of Amusement Parks and Attractions, the National Association of Theatre Owners, the National Restaurant Association, the National Retail Federation, the U.S. Travel Association and dozens of other trade groups sent a [letter](https://www.politico.com/f/?id=00000172-04b6-dc3e-aff6-0cbf9b300000" \t "_blank) to House Speaker Nancy Pelosi, House Minority Leader Kevin McCarthy, Senate Majority Leader Mitch McConnell and Senate Minority Leader Chuck Schumer on Monday advocating for liability protections for businesses that implement federal public health guidelines related to the transmission of COVID-19.
	+ As we have been reporting, the US Chamber of Commerce and the National Association of Manufacturers continue to push for limits on workers and customers’ ability to sue businesses over COVID-19. The American Association for Justice and a coalition of other unions continue to oppose the proposal.
	+ Liability protections remain a major priority of Senate Republicans and could be one of the central negotiating hurdles to enacting the next COVID-19 relief legislation.
* Twitter Chief Executive Officer Jack Dorsey has pledged $10M to fight COVID-19 in prisons during the pandemic.
* Wuhan, China, the epicenter of the COVID-19 pandemic, has reported a small new cluster of COVID-19 cases more than one month after their lockdown restrictions were eased.
* Tesla on Monday defied the Bay Area’s stay at home order and reopened its factory. CEO Elon Musk has been vocally criticizing the stay at home order and threatening to move his operations to Texas or Nevada. California Governor Gavin Newsom allowed for manufacturing facilities to reopen in California last week, but the six Bay Area counties opted to keep manufacturing facilities in their counties closed.
	+ The “Big Three” (General Motors, Ford, and Fiat-Chrysler Group) Detroit automakers plan to reopen their facilities in a phased approach beginning next Monday.

**Updates at 11:00am ET**

* 215,444 travelers passed through TSA checkpoints Friday, the most since March 25.
* Quidel Corporation, a provider of rapid diagnostic testing solutions, cellular-based virology assays and molecular diagnostic systems, announced on Saturday that it has received an Emergency Use Authorization (EUA) from the U.S. Food and Drug Administration (FDA) to market its Sofia® 2 SARS Antigen FIA, a rapid point-of-care test.
* As food delivery has increased dramatically during the pandemic, cities are considering limiting commissions for delivery apps such as GrubHub and Uber Eats. New York City, Chicago, Los Angeles and Boston are considering commission caps as low as 5 percent. Washington, D.C., Seattle and San Francisco already adopted emergency orders that limit commissions to 15 percent.
* The Supreme Court will hear arguments on Tuesday on President Trump’s efforts to block a Congressional subpoena of his tax records.
* According to a new report from the Rhodium Group and the National Committee on U.S.-China Relations, Chinese foreign direct investment dropped to a 10-year low in 2019, standing at $5B.
* Johns Hopkins University reported over the weekend show that the virus has infected at least 3.9M people worldwide and has killed more than 270,000. Of those figures, 1.2M of those that have tested positive are Americans and more than 77,000 Americans have died from the disease.
* States that have allowed stay-at-home orders to expire include Colorado, Georgia, and Texas. New York state is moving more cautiously, and reports indicate that the state is anticipating a partial reopening later this month.
* According to new Washington Post/University of Maryland polling, most Americans still do not feel comfortable with their states reopening salons, gyms, movie theaters, and other businesses. More information can be found [here](https://context-cdn.washingtonpost.com/notes/prod/default/documents/8b7e272d-7810-4c89-94dd-17a171790932/note/a144011d-70a1-4768-8849-218ecc98f61c.%22%20%5Cl%20%22page%3D1%22%20%5Ct%20%22_blank).
* Drone Manufacturer DJI last week released a memo listing a number of recommended uses for drones during the COVID-19 pandemic, as well as some uses that are not recommended such as spraying disinfectant from drones and using them for body temperature checks. The full memo and more information can be accessed [here](https://linkprotect.cudasvc.com/url?a=http%3a%2f%2fthedronegirl.com%2f2020%2f05%2f06%2fdji-coronavirus-drone-projects%2f&c=E,1,qGHACeLZNQdKPaRuiHQ12c6jYE6eMBrC41oP1-bl_STlIXiq2zbk0thFsOApCUI6PqqglDgxOMy76_9w5orDu-Xu0YlOADxIdE5BIvUes0k,&typo=1" \t "_blank).