May 21, 2020

TO: USTOA Members
FR: Terry Dale

Below is our COVID-19 Update for May 21, 2020:

**Congress**

* Appropriators on both sides of the Capitol are beginning to express concern with their original timelines to pass government funding measures amid the COVID-19 pandemic.
	+ The House will not begin to markup FY2021 appropriations bills until after another COVID-19 relief package is passed, according to an Appropriations Committee spokesperson. Speaker Pelosi (D-CA) wants to keep the House focused on COVID-19 relief.
	+ Senate appropriators hope to reach an agreement on subcommittee allocations (known as 302(b) allocations) soon, with plans to mark up several bills toward the end of June and the remainder coming after the July Fourth recess. The upper Chamber had originally planned to mark up almost all of the bills before the July Fourth recess.

**Senate Activities**

* The Senate will recess for the Memorial Day break after they conclude their business today. They will return June 1st.
* Senate Majority Leader Mitch McConnell (R-KY) indicated to President Trump in a White House meeting Wednesday his view that the next COVID-19 relief legislation should not exceed $1T.
* Senate Republicans, while still mostly not advocating publicly for additional COVID-19 relief legislation, are beginning to craft proposals that could be included in a future relief package.
	+ Republicans are concerned that the current tax benefits are so generous that people will not want to return to work. One plan being floated by members of the Senate Finance Committee would provide companies who not only retain, but hire back workers, additional tax benefits. Republicans are hopeful that this kind of hiring credit could have bipartisan appeal, as Democrats embraced a similar idea during the Obama administration.
	+ Sen. Rob Portman (R-OH) is working on a proposal to convert unemployment benefits into a $450 per week bonus payment for people who return to the labor force to ensure they are better off financially by working.
	+ Senate Commerce Committee Chairman Roger Wicker (R-MS) is also talking about a fourth COVID-19 relief package and reportedly commented that he thinks “June does not need to come and go without a phase four.”
* Senator Marco Rubio (R-FL), Senator Ben Cardin (D-MD), Senator Susan Collins (R-ME) and Senator Jeanne Shaheen (D-NH) introduced a bill to extend the timeframe for small businesses to spend money from Paycheck Protection Program (PPP) loans from 8 weeks to 16 weeks. The bill would also extend the application period through December 31st, 2020. The earliest recipients of the loans will have had to spend their full amount by May 29th for eligibility for forgiveness under the CARES Act. Text of the legislation is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/rubio-text.pdf) to the update.
	+ The legislation is being “hot lined” in the Senate, and if no objections are raised, it would be passed tonight and then await House action next week when the House returns.
	+ As a reminder, the House’s proposal for PPP extension would have extended the period for borrowers to spend PPP funds to 24 weeks.
* Senator Rubio joined Sens. Tammy Duckworth (D-IL), Chris Coons (D-DE), and James Risch (R-ID) in introducing the Small Business Lending Continuity Act of 2020. The legislation would fix a much-reported issue with the drafting of the CARES Act that tied authorization of funding for the Small Business Administration’s (SBA) 7(a) loan program to the authorization of the PPP, meaning that the 7(a) program would shut down when the PPP runs out of funding. If left unfixed, the SBA 7(a) Loan Guarantee Program’s Fiscal Year 2020 $30B authorization cap would be void until July 1, 2020. A press release on the legislation can be found [here](https://www.rubio.senate.gov/public/index.cfm/press-releases?ID=59416724-0C73-416D-AFAD-8EE880BC7F81" \t "_blank).
* The Senate confirmed the nomination of John Ratcliffe to be Director of National Intelligence by a party line 49-44 vote. Ratcliffe will become the first permanent holder of the role since Dan Coats left the position in August 2019.
* Sen. Josh Hawley (R-MO) renewed his calls for a vote on whether or not the United States should withdraw from the World Trade Organization (WTO). Hawley filed a resolution calling for the U.S. to withdraw.
* Sen. Lindsay Graham (R-SC) said on CNN that he is pushing President Trump to support a plan to pump more money into infrastructure projects. Sens. Roy Blunt (R-MO) and Roger Wicker (R-MS) also have voiced support for increased infrastructure investment.
* Sens. Cory Booker (D-NJ), Amy Klobuchar (D-MN), Tim Scott (R-SC) and Ben Sasse (R-NE) are [introducing a bill](https://www.klobuchar.senate.gov/public/index.cfm/news-releases?ID=1D465847-FECD-404D-8E15-620185D6B841" \t "_blank) to offer a refundable tax credit to help those unemployed due to COVID-19 get new job training. The bill will provide a $4,000 tax credit to anyone who lost their job during the COVID-19 pandemic to cover the costs of any job training program that will be in high demand to employers in coming months. A companion bill will be introduced in the House by Reps. Derek Kilmer (D-WA), Susan Brooks (R-IN), Terri Sewell (D-AL) and GT Thompson (R-PA) when the House returns next week.
* Senator Lamar Alexander (R-TN) said that limiting liability for colleges and providing greater flexibility for federal relief money would be a top priority of his in any future relief package that the Senate takes up.
* Sens. Rubio, Merkley (D-OR), Tillis (R-NC), Sasse (R-NE), Cornyn (R-TX), Cotton (R-AR), and Romney (R-UT) sent a [letter](https://www.rubio.senate.gov/public/_cache/files/14d162c7-3a16-4c19-9da0-4a88dd5e13c6/105D858E3AE29EA18A8A8DDD1B69D8EA.20.5.19-letter-to-treasury-re-debt-mitigation.pdf%22%20%5Ct%20%22_blank) to Treasury Secretary Mnuchin Wednesday to ensure China is not taking advantage of the economic turmoil to acquire distressed companies in strategic sectors.
* Sens. Lisa Murkowski (R-AK), Susan Collins (R-ME) and Tillis wrote to Treasury Secretary Mnuchin requesting the Treasury Department to grant additional regulatory relief to renewable energy companies that take advantage of the Production Tax Credit or the Investment Tax Credit. The Senators’ letter asked for the Department to extend the “start of construction” safe harbor requirements, as many of the renewable projects began construction in 2019 but did not receive equipment by the deadline due to COVID-19 related disruptions.
* Senate Majority Leader McConnell announced that the Senate will vote on the Great American Outdoors Act, a bipartisan package that would permanently fund the Land and Water Conservation Fund and provide billions to address a maintenance backlog on the nation’s public lands, in June.

**House Activities**

* More than two dozen lawmakers from New York and New Jersey [wrote](https://nadler.house.gov/uploadedfiles/nadler_sires_panynj_letter_final.pdf%22%20%5Ct%20%22_blank) to Congressional Leaders on Wednesday asking for Congress to match the state’s request for $3 billion to help the Port Authority recover from the pandemic. Lawmakers argue that the Port Authority has missed out on funding because it is a multistate entity.
* House Republican leaders on the Transportation Committee, including Rep. Sam Graves (R-MO) and Rep. Rick Crawford (R-AR) are filing comments to the Surface Transportation Board saying that they agree with the rail industry’s position that freight trains should not be regulated as polluters because “trace amounts of coal/coke particles could drift into the water.”
* House Energy and Commerce Republicans, led by Rep. Cathy McMorris Rodgers (R-WA) and Greg Walden (R-OR), [wrote a letter](https://republicans-energycommerce.house.gov/wp-content/uploads/2020/05/2020.05.21-Letter-to-TikTok.pdf%22%20%5Ct%20%22_blank) to TikTok’s parent company ByteDance stating their significant concern about the company's data practices. The letter specifically cites concerns about whether or not the company is violating the Children’s Online Privacy Protection Act (COPPA) and if they are sharing data from the app with the Chinese Communist Party.
	+ As a reminder, we reported this week that a group of privacy and consumer advocates filed a [complaint](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fcommercialfreechildhood.org%2fwp-content%2fuploads%2f2020%2f05%2ftik_tok_complaint.pdf&c=E,1,RKeEWEzq-zvEEy2Yj9PVlefm4SnprOsGsd9GdS_r9QWUE5f8dUhbIkPHV6AC2CsQR1r_GkRR2-l_AJQTgTNHHbzDzGBBnjDlmkLmZ5N6OLwm&typo=1" \t "_blank) with the Federal Trade Commission (FTC) on the same issue.
* Chair of the Homeland Security Subcommittee on Intelligence and Counterterrorism Rep. Max Rose (D-NY) criticized the Global Internet Forum to Counter Terrorism on Wednesday for going a year without naming its first executive director.
	+ The consortium includes major industry players like Facebook, Microsoft and YouTube.
* House Foreign Affairs and Oversight Committee and Subcommittee Chairs Reps. Elliot Engel (D-NY), Carolyn Maloney (D-NY), Joaquin Castro (D-TX) and Gerald Connolly (D-VA) [sent a letter](https://oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/2020-05-21.CBM%20GEC%20Engel%20Castro%20to%20Pompeo-State%20re%20Removal%20of%20State%20IG.pdf%22%20%5Ct%20%22_blank) to Secretary of State Mike Pompeo requesting key documents about his correspondence with the White House on removing the acting Inspector General of the Department of State. They also warned Pompeo that he cannot interfere with any Inspector General investigations of himself.
* Sixty House Republicans are asking Interior Secretary David Bernhardt to take additional actions to “streamline and expedite” the process of getting temporary royalty restrictions for onshore and offshore oil and gas producers. The lawmakers are calling for Interior to allow applications for royalty reductions to include multiple leases and for the agency to set the time frames to make decisions. Lawmakers also asked for the Interior department to revisit their definition of an “allowable expense” as it relates to royalty applications. The full letter is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/interior-royalties-letter.pdf).
	+ The push from Republicans comes after reports that the Trump administration slashed royalty rates for oil and gas development on public lands to a fraction of what they were prior to the pandemic.
	+ House Natural Resources Chairman Raul Grijalva (D-AZ) asked the Government Accountability Office to probe those actions.
* Republicans on the House Energy and Commerce Committee this week introduced a batch of legislation included in the “Emerging Tech Agenda” announced by Committee Ranking Member Greg Walden (R-OR) and Consumer Protection and Commerce Subcommittee Ranking Member Cathy McMorris Rodgers (R-WA). A summary of the package is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/emerging-tech-package-summary.pdf) to tonight’s update. Of the bills included in the package, the following were introduced this week:
	+ The Generating Artificial Intelligence Networking Security (GAINS) - Rep. McMorris Rodgers (R-WA)
		- The legislative text is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/gains-act-final-5-19-20.pdf).
	+ The Advancing 3D Printing Act - Rep. Michael Burgess (R-TX)
	+ The Advancing Unmanned Delivery Services Act - Rep. Bob Latta (R-OH)
	+ The Advancing Blockchain Act - Rep. Brett Guthrie (R-KY)
	+ The Advancing Quantum Computing Act - Rep. Morgan Griffith (R-VA)
	+ The Advancing New and Advanced Materials Act - Rep. Larry Bucshon (R-IN)
	+ The Advancing IOT Manufacturing Act - Rep. Richard Hudson (R-NC)
	+ The Advancing Facial Recognition Act - Rep. Buddy Carter (R-GA)
	+ The Showing How Isolationism Effects Long-term Development (SHIELD) Act - Rep. Fred Upton (R-MI)
	+ The Internet Application Integrity and Disclosure (Internet Application I.D.) Act - Rep. Adam Kinzinger (R-IL)
	+ The Advancing Tech Startups Act - Rep. Bill Johnson (R-OH)
	+ The Advancing Gig Economy Act - Rep. Greg Gianforte (R-MT)
	+ The Countering Online Harms Act - Rep. Brett Guthrie (R-KY)

**Administration**

* Treasury Secretary Mnuchin [said](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fthehill.com%2fhomenews%2fadministration%2f498956-mnuchin-sees-strong-likelihood-of-needing-another-covid-19-relief&c=E,1,aoN-ahMPyockY9aF6c5sJJGZ4vO-ao2_2U4vAjD6lgZajCGW5yEJ_a8Bk5JZnwhXGkA21MvyaYl6o-SGYmdmU-9OXvphV3kr7j3WyayDEL4DcKyQGFs,&typo=1" \t "_blank) that there will likely be a need for another COVID-19 relief bill. In an event hosted by The Hill, Mnuchin said that the administration will step back for a few weeks to evaluate, but that “there is a strong likelihood we will need another bill.”
* The Department of Labor reported that another 2.4M people filed for unemployment last week. 38.6M people have filed for unemployment over the last nine weeks.
* Nearly 5M student loan borrowers, who received relief on monthly payments for their loans under the CARES Act, have seen negative effects on their credit scores based on an error made by Great Lakes Educational Loan Services, who has been hired by the Administration to collect and manage student loans. The Administration is rushing to fix the issues caused by this error.
	+ Congress expressed concern previously that deferred payments would be seen as late or missed payments, so they required the Education Department to report the deferrals as on-time payments to credit bureaus.
* In a series of [tweets](https://twitter.com/realDonaldTrump/status/1263282623939477511%22%20%5Ct%20%22_blank) on Wednesday night, President Donald Trump accused China of conducting a massive disinformation campaign surrounding the severity of the COVID-19 outbreak in China and around the world, blaming President Xi Jinping personally.
* President Trump is considering extending National Guard deployments through July. As we previously reported, the current deployments are only funded through June 24th, one day short of many National Guard members becoming eligible to receive additional benefits.
* The Transportation Security Administration (TSA) today announced changes to their security procedures which are meant to reduce the amount of contact between passengers and TSA agents. The changes include having the passengers hold onto their tickets, putting all food products in clear plastic bags and have passengers dispose of prohibited items themselves, rather than having the agents do it.
* Briefings in California’s lawsuit against the Trump Administration’s revocation of its vehicle emission waiver will wrap up on October 27th, with oral arguments likely to begin in December or in early 2021.
* President Trump announced plans to withdraw the U.S. from the ‘Open Skies’ Arms Control Treaty with Russia.
	+ Some have long argued that Russia has been violating the Open Skies accords by not permitting reconnaissance flights over areas believed to house nuclear weapons.
* The Department of Transportation (DOT) wrote a letter ([here](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-05-21-dot-letter-to-defazio-on-inspectors-general.pdf)) to House Transportation Committee Chairman Peter DeFazio, Oversight Committee Chairwoman Carolyn Maloney, and Oversight Subcommittee on Government Operations Chairman Gerald Connolly (D-VA) defending the Trump Administration’s decision to move Pipeline and Hazardous Materials Safety Administrator Skip Elliot to the role of acting inspector general of DOT. The Congressional leaders had written letters to [Transportation Secretary Elaine Chao](https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2020-05-19.CBM%20DeFazio%20GEC%20to%20Chao-DOT%20re%20Removal%20of%20Acting%20DOT%20IG.pdf%22%20%5Ct%20%22_blank) and acting [Inspector General Elliot](https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2020-05-19.CBM%20DeFazio%20GEC%20to%20Elliott-DOT%20re%20Removal%20of%20Acting%20DOT%20IG.pdf%22%20%5Ct%20%22_blank) criticizing the move.
* The Federal Aviation Administration (FAA) and the Association for Unmanned Vehicle Systems International (AUVSI) announced the dates today for their two-part virtual symposium. The first part will take place on July 8th and 9th with a focus on Unmanned Aircraft Systems (UAS) traffic management (UTM) and International UAS integration. The second session is planned for August 18th and 19th with a focus on UAS Integration Pilot Program updates and public safety operations. The full press release can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.faa.gov%2fnews%2fpress_releases%2fnews_story.cfm%3fnewsId%3d24998&c=E,1,s6R8yAMBFYwtCvxOLn6nfWUZIxuMNNiDj2XwByWoueOBCezF6H_4fCLqbjzNddPS0FsJG2juAA_JJ-v8yHN-7nxwb1_-TS01k2yht-PPwckU3vXrZFKg&typo=1" \t "_blank).
* Federal Register Notices
	+ The U.S. Department of Energy (DOE) is initiating an effort to determine whether to amend the current energy conservation standards for electric motors. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f21%2f2020-09989%2fenergy-conservation-program-energy-conservation-standards-for-electric-motors&c=E,1,3_kGSvk6FuHDIu2F2482APPUN522hyPFz6-YoV1rwpIhrQ7dGvO0FE3ur4skYWXe5aWWVCpRwQ__UOhZ8Dkgc8PeIiKRb4TZ-nWrdTDLHbELfA,,&typo=1" \t "_blank).
	+ The National Aeronautics and Space Administration (NASA) announced a meeting of the NASA Advisory Council (NAC). The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f21%2f2020-11008%2fnasa-advisory-council-meeting&c=E,1,Ds62FXSQ6ayivo8AcdaQyhiAgo_ep5Y30DwYSLPI0TwJ9YPQG23mRhanp3g3KFmeLVag6MBF6J_DG-H8pjLNCbeDNGotcL9ypfnSNB_ktl1CoLs,&typo=1" \t "_blank).
	+ The Small Business Administration (SBA) provided additional guidance on eligibility requirements related to entities with foreign affiliates, and requests public comment. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f21%2f2020-10967%2fbusiness-loan-program-temporary-changes-paycheck-protection-program-treatment-of-entities-with&c=E,1,HiMV5RpS0anii-aIXTsjqQKMWI8rVHe5nDTz4dtYzSOonOzOwJ0CykwI2cFj2tw89_7xegmsDhAmFeNCfyf3C1-McyMUf1qTu1YH-73Gnm0ElHyh_CM,&typo=1" \t "_blank).
	+ The TSA  announced an information collection request for biographic and biometric information by individuals seeking to enroll in the TSA PreCheck program. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f21%2f2020-10937%2frevision-of-agency-information-collection-activity-under-omb-review-tsa-prechecktm&c=E,1,BJb3jdHzFVR0gSrM7wrKSLSFv6O7RzxL9NUPCC_j2nkgR8YL1vHDlmFinJ30V7ErkQAygiOBzmPHjNIvKHsbqLj1d4IZq0g9BtWsG4MUeifPL0PmNpcw5Q,,&typo=1" \t "_blank).

**Other News**

* COVID-19 cases surpassed 5M worldwide today while U.S. cases have surpassed 1.5M.
* Microsoft President Brad Smith [wrote in a blog](https://blogs.microsoft.com/on-the-issues/2020/05/21/broadband-gap-covid-19-airband/%22%20%5Ct%20%22_blank) post today that the COVID-19 pandemic has intensified the digital divide. Smith called for Congress to fund internet programs and give the Federal Communications Commission (FCC) more money to advance broadband mapping.
* The International Bridge, Tunnel and Turnpike Association has requested $9.245B to offset tolling revenue losses amid the COVID-19 pandemic. The tolling industry has seen a sharp fall in revenues, estimated to be between 50% and 90% due to reduced driving and a forced transition to cashless payments.
* Airlines for America announced that 73% of flights in the past week are less than 50% full. In order to attempt to get more customers flying again, Airlines for America is launching a public awareness campaign called “Fly Healthy, Fly Smart” in order to promote the steps airlines are taking to promote safety.
* Facebook will begin reopening their offices at 25% capacity in July. However, Facebook CEO Mark Zuckerberg [said](https://www.theverge.com/facebook/2020/5/21/21265699/facebook-remote-work-shift-workforce-permanent-covid-19-mark-zuckerberg-interview%22%20%5Ct%20%22_blank) that they will switch tens of thousands to jobs completely remote work and that he believes that up to 50% of Facebook’s workforce could be remote in the future.
* Wing, the Google-owned drone company, has partnered with Walgreens and has seen its deliveries grow six-fold during the pandemic. However regulatory hurdles related to flight speed, altitude, and length continue to limit the expansion of the services.
* The WTO will begin to accept nominations to replace Director-General Robert Azevedo on June 8th and will allow countries to submit names until July 8th. Expected nominations include Hamid Mamdouh, a former trade negotiatior from Egypt who worked as the director of the WTO’s trade in services and investment division, Yonov Fredrick Agah, from Nigeria who currently serves as the WTO Deputy Director General, and Eloi Laourou, Benin’s envoy to the WTO.
* Twitter has begun testing a new feature that will allow users to determine which users can reply to their tweets, a tweak that may pose free speech challenges.
	+ American Civil Liberties Union (ACLU) staff attorney Vera Eidelman said that there would likely be legal challenges as public officials would be violating the First Amendment if they used this feature on their accounts, especially if they used it to block speakers. Members of both parties, including President Trump and Rep. Alexandria Ocasio-Cortez (D-NY) have faced legal challenges for blocking detractors on Twitter.
* Ford Motors yesterday was forced to temporarily shut down two of its plants in Dearborn, MI and Chicago, IL due to multiple employees testing positive for COVID-19. Production is slated to restart today.
* Insurance trade groups including the National Association of Mutual Insurance Companies and the American Property Casualty Insurance Association unveiled a proposal this week that would require the federal government to compensate businesses hurt by viral outbreaks, rather than having to sell pandemic coverage. This attempt is counter to recent legislation introduced by Rep. Carolyn Maloney (D-NY), which would require insurers to sell pandemic coverage in their business interruption insurance policies. Maloney’s plan includes creating a federal backstop that would help pay for losses.
* The U.S. Travel Association continues to advocate strongly for targeted relief for the travel industry. Among other initiatives, they are pushing for specific tax breaks for the industry, including those to revitalize trade shows and exhibitions. Recently, the U.S. Travel Association participated in a roundtable, which Vice President Pence also participated in, in Florida with various tourism officials.