May 28, 2020

TO: USTOA Members
FR: Terry Dale

Below is our COVID-19 Update for May 28, 2020:

**Congress**

**Senate Activities**

* Elevate continues to believe that the next COVID-19 relief bill is four to six weeks out. Majority Leader Mitch McConnell affirmed this was his intention again today.
* Content and breadth of the bill remain undetermined.
* The Senate Homeland Security and Governmental Affairs Committee intends to vote next week to authorize subpoenas to secure records and testimony from government agencies and individuals related to the origins of the Russia probe and actions by Obama Administration officials that exposed associates of President Trump.
* The Senate Finance Committee and the House Ways and Means Committee are planning hearings on the President's trade agenda. Exactly when is still to be determined. U.S. Trade Representative Robert Lighthizer is expected to testify. Topics expected to be discussed include the implementation of the U.S.-China Trade Agreement, the U.S.-Mexico-Canada Agreement (USMCA), U.S.-U.K. trade talks, and the upcoming negotiations with both Kenya and the European Union on trade agreements.

**House Activities**

* House Majority Leader Steny Hoyer (D-MD) announced that the House would not be holding any additional votes this week, or next week.
	+ House Democratic leadership on Thursday postponed a vote on the Senate-passed version of the USA FREEDOM Reauthorization Act of 2020, the bill to reauthorize key parts Foreign Intelligence Surveillance Act (FISA). President Trump indicated he would veto the legislation despite passage in the Senate with broad bipartisan support.
	+ The House moved to disagree with the Senate amendments to the House-passed version of the USA FREEDOM Reauthorization Act of 2020 and go to conference on the legislation Thursday afternoon. The House originally passed the legislation March 11.
* The House voted 417-1 to pass [H.R. 7010](https://www.congress.gov/bill/116th-congress/house-bill/7010?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=12" \t "_blank), the Paycheck Protection Program Flexibility Act. Introduced by Reps. Dean Phillips (D-MN) and Chip Roy (R-TX) on Thursday, the legislation extends the current eight-week period during which businesses must use funds to have loans forgiven to 24 weeks or Dec. 31, whichever comes sooner. The bill also lowers the threshold for the payroll requirements from 75% to 60%.
	+ The Senate is expected to take up a version of this bill when it returns next week.
* In a [letter](https://kuster.house.gov/sites/kuster.house.gov/files/Kuster%20Schakowsky%20letter%20to%20FTC%20on%20TikTok.pdf%22%20%5Ct%20%22_blank) to Federal Trade Commission (FTC) Chairman Joseph Simons, House Energy and Commerce Consumer Protection Subcommittee Chairwoman Jan Schakowsky (D-IL), Rep. Ann Kuster (D-NH), and other Energy and Commerce Committee Democrats, outlined children’s privacy issues with TikTok, the popular video application owned by Chinese technology company ByteDance. The letter also noted that TikTok may have breached their recent settlement with the FTC for violating the [Children's Online Privacy Protection Act of 1998](http://uscode.house.gov/view.xhtml?req=granuleid%3AUSC-prelim-title15-section6501&edition=prelim" \t "_blank) and emphasized fears of data privacy as it pertains to China.
* House Democrats are divided on whether or not they should fast-track money for the Federal Communications Commission (FCC) to roll out $16B in rural broadband subsidies. House Majority Whip Jim Clyburn (D-SC) unveiled [H.R. 7022](https://www.congress.gov/bill/116th-congress/house-bill/7022%22%20%5Ct%20%22_blank) to allow the fast track process but is facing pushback from House Energy and Commerce Telecommunications Subcommittee Chair Mike Doyle (D-PA) who claims that the FCC plan will fail to get broadband where it is needed.
* Rep. Lori Trahan (D-MA), together with Rep. Max Rose (D-NY), Rep. David McKinley (R-WV) and Rep. Mike Simpson (R-ID) introduced [H.R. 7023](https://www.congress.gov/bill/116th-congress/house-bill/7023?q=%7B%22search%22%3A%5B%22hr+7023%22%5D%7D&s=1&r=1" \t "_blank) on Wednesday, which requires the Secretary of the Treasury to create a federal loan program of at least $1B through the Federal Reserve to provide loans to community-owned or private small businesses with less than $35M in revenue that are contractually obligated to make lease, rental, or bond payments on publicly-owned sports facilities, museums, or community theaters. According to Rep. Trahan’s [press release](https://trahan.house.gov/news/documentsingle.aspx?DocumentID=1615" \t "_blank), the legislation is aimed specifically at assisting Minor League Baseball teams. Funds under the program would be eligible for the following uses:
	+ Facility rent, lease, or bond payments or other obligations, including property taxes;
	+ Utilities for use of the facility;
	+ Payroll, including health insurance premiums and other employee benefits, for employees whose employment is directly connected to services rendered at the facility and whose income does not exceed $100,000;
	+ Facility improvements agreed to by the borrower and, if applicable, the entity or municipality with authority over the facility’s budget and operations; and
	+ Other purposes which improve the infrastructure and/or project development surrounding the facility.
* Rep. David Kustoff (R-TN) yesterday introduced [H.R. 7033](https://www.congress.gov/bill/116th-congress/house-bill/7033/text?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&r=9&s=1" \t "_blank), the SECURE CAMPUS Act. The legislation is another example of recent anti-China sentiment in the Federal government and, according to Rep. Kustoff’s press release the legislation would:
	+ Bar Chinese nationals from receiving student or research visas to the United States for graduate or post-graduate studies in Science, Technology, Engineering and Math (STEM) fields;
	+ Provide the President with a national security waiver on a case-by-case basis;
	+ Prohibit Chinese nationals and participants in China’s foreign talent recruitment programs from receiving or working on federal research and development grants in STEM fields;
	+ Require universities, laboratories, and research institutes receiving federal funding to attest that they will not knowingly employ participants in China’s foreign talent recruitment programs;
	+ Mandate that participants in China’s foreign talent recruitment programs register under the Foreign Agents Registration Act;
	+ Expand the definition of “economic espionage” under U.S. Code; and
	+ Mandate that the Secretary of State develop and publish a list of China’s foreign talent recruitment programs.
		- Companion legislation, [S. 3837](https://www.congress.gov/bill/116th-congress/senate-bill/3837?q=%7B%22search%22%3A%5B%22tom+cotton%22%5D%7D&r=1&s=5" \t "_blank), was introduced in the Senate by Sens. Rick Scott (R-FL), Mike Braun (R-IN), Joni Ernst (R-IA), Martha McSally (R-AZ), Ted Cruz (R-TX), Tom Cotton (R-AR) and Marsha Blackburn (R-TN).
* The House Education and Labor Committee Subcommittee on Workforce Protections held a hearing today entitled “Examining the Federal Government’s Actions to Protect Workers from COVID-19." Ms. Loren Sweatt, Principal Deputy Assistant Secretary, Occupational Safety and Health Administration and Mr. John Howard, MD, MPH, JD, LLM, MBA, Director, National Institute for Occupational Safety and Health testified.
	+ The witnesses defended their handling of worker safety during the COVID-19 pandemic, but also acknowledged that the new tally of deaths among doctors and nurses is "likely to be an underestimate."
	+ Sweatt told lawmakers that federal agencies have reacted swiftly, offering updated safety guidelines to employers ranging from hospitals and nursing homes to meat-packing plants and warehouses.

**Administration**

* The Labor Department’s weekly unemployment data showed 2.1M additional Americans filed for unemployment last week. The number of Americans receiving jobless benefits, also known as continuing claims, was 21.1M in the week ending May 16, down 3.9M from the prior week. The record prior to this year was 6.5M in 2009, near the end of the last recession.
* President Trump today signed an [Executive Order](https://www.whitehouse.gov/presidential-actions/executive-order-preventing-online-censorship/%22%20%5Ct%20%22_blank) aimed at social media platforms and their alleged anti-conservative bias after his tweets about mail-in voting were flagged as misinformation on Twitter. The Executive Order calls on the Department of Commerce to direct the FCC to review which websites qualify for Section 230 legal protections. Section 230 is part of the Communications Decency Act of 1996 and shields technology companies from lawsuits for content produced by its users.
	+ The U.S. Court of Appeals for the D.C. Circuit rejected a lawsuit by the conservative legal organization Freedom Watch and Laura Loomer filed in 2018 against Google, Facebook, Twitter and Apple, which asserted that the platforms have unlawfully banned Loomer for her conservative ideologies. The decision asserts that the First Amendment does not apply to the private sector.
* The White House is renewing their push to end surprise medical bills, possibly as part of the next COVID-19 relief package. The Administration is reportedly pushing a measure to outlaw healthcare providers from “surprise billing” patients. The plan fails to address how doctors and hospitals would recover their costs from insurers. Under the plan, each billing dispute would be addressed on a case-by-case basis.
* Federal Communications Commissioner Mike O’Rielly expects the agency to hold a vote finalizing their proposal to carve-out a portion of the 5.9 GHz spectrum airwaves, which are currently dedicated to highway safety. The 5.9 band has been reserved to allow vehicles to communicate with one another. The vote will likely take place at the end of summer.
	+ The agency unanimously voted to proceed with this plan back in December over objections from the Department of Transportation (DOT).
* The Trump Administration notified Congress on Wednesday that it no longer sees Hong Kong as an autonomous region from China, which jeopardizes their special trade status. This move will likely open China to additional sanctions and undercut Hong Kong’s ability to continue to serve as a global business and trade hub.
	+ China has [vowed to retaliate](https://www.scmp.com/news/china/diplomacy/article/3086375/china-vows-hit-back-us-over-any-action-hong-kong-national%22%20%5Ct%20%22_blank) if the U.S. imposes additional trade restrictions due to its actions in Hong Kong.
* The Export-Import Bank (EXIM) board could temporarily lose its quorum in January if the Senate does not confirm nominations this session. Chairwoman Kimberly Reed and Board Member Judith Pryor both are serving terms that end in January 2021.
	+ Two nominees continue to be held up – Claudia Slacik, who was nominated by President Obama and was re-nominated by Trump, and Paul Shmotolokha. The United States Chamber of Commerce continues to urge Senate leaders to confirm both of these nominees.
* EXIM recently extended several relief measures for U.S. exporters and financial institutions affected by the COVID-19 pandemic, including waivers, deadline extensions, streamlined processing, and flexibility that were announced on March 12, through August 31, 2020.
* President Trump will nominate Derek Kan as Deputy Director of the Office of Management and Budget (OMB). Kan currently is Executive Associate Director at OMB.
* The White House will not make its usual economic forecast this summer when they release their review of federal spending. The projections, which have been released every summer since the 1970’s, would likely reflect a steep downturn caused by the pandemic.
* In a [tweet](https://mobile.twitter.com/realDonaldTrump/status/1266041589455077381%22%20%5Ct%20%22_blank) on Thursday, President Trump said he will extend the National Guard’s deployment through mid-August to continue to help states. This would also make many members of the National Guard eligible for Federal benefits as we reported on previously, including retirement benefits.
* The Internal Revenue Service (IRS) issued guidance on Wednesday that allows solar and wind projects that began in 2016 or 2017 an extra year to go into service and receive an associated production tax credit if project work was impacted by the pandemic.
* The Environmental Protection Agency (EPA) is set to review the its reimbursement of paid leave for contractors under the CARES Act. The EPA’s Inspector General issued a [memo](https://www.epa.gov/sites/production/files/2020-05/documents/_epaoig_notificationmemo_5-27-20_cares.pdf%22%20%5Ct%20%22_blank) saying that the review was self-initiated.
* The Federal Transit Administration (FTA) announced the availability of $1.25 million to demonstrate and evaluate innovative technologies and designs to improve the state of good repair for transit agencies. The competitive grant funds, which are provided through FTA’s Public Transportation Innovation Program, support advanced cutting-edge technologies that provide real-time condition assessment to detect, monitor and track deficiencies and defects of infrastructure and rolling stock. A [Notice of Funding Opportunity](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.transit.dot.gov%2ffunding%2fapplying%2fnotices-funding%2freal-time-transit-infrastructure-and-rolling-stock-condition&c=E,1,OWRvDeW78y4p-MtF2tIBDmkktVe7WkKnPf2CZpDmSiR3zVFh2HP8wOSW7N91MXuyW6GhTdbXMUrC4IsUTHMHXtHz0B2_SyzzHkRoMOJDOokrWw,,&typo=1" \t "_blank) (NOFO) will appear in the Federal Register. The application period will close at 11:59 p.m., Friday, July 17, 2020.
* Federal Register Notices:
	+ The FCC is proposing to expand unlicensed use of the 5.925-7.125 GHz band (6 GHz band) while protecting the incumbent licensed services that operate in the spectrum. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f28%2f2020-11320%2funlicensed-use-of-the-6-ghz-band&c=E,1,Qb2goSNClm8SSDyL2GX6N41NbUQ3iLj2ocJGzbHz0BevhpMAVqR5mXjtCMYMHineSdoESOAvve427t3V9XbpOW0YOZ-uqpYp_FL09H9KoEA,&typo=1" \t "_blank).
	+ The Health Resources and Services Administration is proposing to create a new COVID-19 Data Report (CDR) module that will provide monthly reporting on the types of services provided and number of people served for the treatment or prevention of COVID-19 among clients served by the Ryan White HIV/AIDS Program. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f28%2f2020-11586%2fagency-information-collection-activities-coronavirus-2019-covid-19-data-report-omb-no&c=E,1,mGHoENLOAv1FWmy_mcOkUu_Egb8_jzXQNZG13hBEg-Bd5j7YkgAD94sgK0iErgHAFn-MHS3Glh7R5ORXNSnOvQv-ETeyN0EEhE0LYTSVxSMFlsLNHDy3NGl1JIM,&typo=1" \t "_blank).
	+ The National Credit Union Administration is issuing two temporary changes to its prompt corrective action (PCA) regulations to help ensure that federally insured credit unions (FICUs) remain operational and liquid during the COVID-19 crisis. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f28%2f2020-11384%2ftemporary-regulatory-relief-in-response-to-covid-19-prompt-corrective-action&c=E,1,u-L98GFIdvL1QXnbelzHhrQjQJvypaMGNzNOeMVaZz4CW7WwWR-8D8swTf2hnL_76Usg7WAwNK4fux5izZiQyfZVWBOYASLWC4mowCsLMm1YEb5zk-hbe9qSqQsiyg,,&typo=1" \t "_blank).
	+ The National Telecommunications and Information Administration (NTIA), is requesting comments to inform the development of an Implementation Plan for the National Strategy to Secure 5G. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f28%2f2020-11398%2fthe-national-strategy-to-secure-5g-implementation-plan&c=E,1,SfKoZz2m_n6dvdP7nNbcjuOuqqBa_-Rdq35QECSMg798fBKB0thVIXH_5iOPM_EZIIC-I3ZDkkNmPLBnTF_NZ4QHhQ4BNHQ7dyNuB3jXwU0igZyo9qjsDKvQ&typo=1" \t "_blank).
	+ The Trump Administration is suspending entry into the United States, as immigrants or nonimmigrants, of all people who were physically present within the Federative Republic of Brazil during the 14-day period preceding their entry or attempted entry into the United States. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f28%2f2020-11616%2fsuspension-of-entry-as-immigrants-and-nonimmigrants-of-certain-additional-persons-who-pose-a-risk-of&c=E,1,dWZwMLNiMPCS75QCEwA0A3U9taczCIuGVJ4YnlEywyDlheERkM0eF-qGUibtYbr1xc4o7qa4aTDG7FGIGBX4cxGXuY4vnqlZuh8gOCpjXdf5JIWNr2egMyLMOmE,&typo=1" \t "_blank).
	+ The Trump Administration is amending their travel restrictions for individuals that pose a risk of continued transmission of COVID-19 to begin on May 26, 2020. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f28%2f2020-11670%2famendment-to-proclamation-of-may-24-2020-suspending-entry-as-immigrants-and-nonimmigrants-of-certain&c=E,1,H5SLYHMrVOM5EVRb3iOYmgej4EteIgmUDjQFi68ySZbBOvl-6BWtYod3NsaWN0yU6BQIP51hEe2WfqI3ZKYrQc3ZhxAVpIGsRLeBBzJipmbe&typo=1" \t "_blank).
	+ The Secretary of Homeland Security is directing all flights to the United States carrying persons who have recently traveled from, or were otherwise present within, the Federative Republic of Brazil (Brazil) to arrive at one of the United States airports where the United States Government is focusing public health resources. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f05%2f28%2f2020-11576%2fnotification-of-arrival-restrictions-applicable-to-flights-carrying-persons-who-have-recently%2520%28CBP%2520and%2520TSA%2520joint%29&c=E,1,1PxwEgSGJejfucMxTUMIEMJHmeMN81g6xClPtLcBIKrO4JOYjv8M7oEUsPM7TiRz8BIowXaiEJTmYFHco3cX-UtLo7CDSe2fwc8Y66x5KJ_Mi9sdl1NZtco,&typo=1" \t "_blank).

**Other News**

* Amtrak is cutting up to 20% of its workforce due to the COVID-19 pandemic. The reductions will amount to 3,700 jobs in total.
* Boeing said today that it has restarted production of the 737 Max, which has been paused since January.
	+ The company said they would restart production “at a low rate as it implements more than a dozen initiatives focused on enhancing workplace safety and product quality.”
* Airports Council International (ACI) said that they do not oppose health screenings at airports, after guidelines that they released earlier this week indicated otherwise.
* A group of World Trade Organizations known as the Ottawa Group will hold a ministerial-level virtual meeting on June 8th to discuss how the 13 governments can produce a COVID-19 action plan on trade.
* New York Governor Andrew Cuomo announced his intention to sign an Executive Order allowing businesses to deny entry to anyone not wearing face coverings in the state.
* The State of Arizona filed a lawsuit against Google on Wednesday, alleging the tech company unfairly tracked consumer location data via applications even after location history was turned off on the users’ devices.
* Manufacturing companies are not utilizing the emergency tax benefits Congress passed in recent months to help businesses and employees survive the pandemic, according to a new [survey](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.nam.org%2fwp-content%2fuploads%2f2020%2f05%2fNAM-2020-Q2-Outlook-Survey.pdf&c=E,1,Z94X7S26Y8DfBLyhENtRNzwVhw55jj9amCXspXZqEsE_Fnf5k2ywRfxHozYJlghKH8EZ9MwOZslpuAnqzCQFg-9vkUwl_7m0Er-BoGGei64vl5M2asG4RiCX0V0,&typo=1" \t "_blank) from the National Association of Manufacturers. Only 16% of respondents were utilizing the delayed payroll tax payments, 7% said they claimed the tax credit for keeping employees on their payroll and 4% sought tax relief through more generous net operating loss claims. Only 4% utilized the higher interest deductions that their companies were granted and only 1.5% sped up credit claims for alternative minimum taxes.
	+ A recent report that was issued by the National Association of Manufacturers found that just 33.9% of respondents had a positive outlook about their business – the lowest percentage since 2009.
* The American Council on Education, the Association of American Universities and dozens of higher education groups sent a [letter](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.acenet.edu%2fDocuments%2fLetter-Congress-pandemic-liability-052820.pdf&c=E,1,b94GnB2-hVYYu-CeoPdOxSKW1AIFq9sIBVAEGapvptEhjeOLgojHjXWBbkYR6DMz13sNB4POpBgwfxeMM7xaOFpCZz1mNsE8aCZw68U93VsaURD2RDCog2F_ydL92A,,&typo=1" \t "_blank) to lawmakers on Thursday asking for liability protections and expressed fears of huge costs associated with COVID-19 spread lawsuits without legal protections.
* The International Energy Agency (IEA) issued a new [report](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.iea.org%2freports%2fworld-energy-investment-2020&c=E,1,UpS-uyWF1mBWvkcnWPahNwxDLjxW5kPPkTK9B0XyZpIM_bfBPr1YTfuFyQXWywnJEVsL_ru5MvKdZsUtnYQ8Y84ArEuUh_82NHoCLJJfhqW6iebw30HF&typo=1" \t "_blank), which found that the pandemic could cause the steepest decline in global energy investment in history. IEA expects that global energy investment will drop by one-fifth, or about $400B, compared to 2019. They also found that global spending on oil may potentially fall by $1T this year.