June 2, 2020

TO: USTOA Members

FR: Terry Dale

Below is our COVID-19 Update for June 2, 2020:

**Congress**

**Senate Activities**

* Senate Commerce Committee Chairman Roger Wicker (R-MS) introduced the Aircraft Safety Improvement Act of 2020 to address organizational issues in the Federal Aviation Administration (FAA) that were raised as a result of two Boeing 737 MAX accidents last year. The bill, which is Republican only, largely continues the Organization Designation Authorization (ODA) program, with some changes, which allows private manufacturing employees to perform certification tasks with FAA oversight. The bill requires the creation of a panel of ODA experts to develop best practices for avoiding organizational pressure on private employees doing certification work.
	+ The bill recommends that the FAA consider best practices for pilot certifications internationally and requires airplane manufacturers to create a Safety Management System modeled on similar safety risk management protocols in place at airlines.
	+ The Committee plans to hold a hearing on June 17thin which FAA Administrator Steve Dickson is set to testify.
	+ The full press release that was issued today, and the text of the legislation, can be found [here](https://www.commerce.senate.gov/2020/6/wicker-introduces-aviation-safety-bill%22%20%5Ct%20%22_blank).
* In a letter to Congressional leadership, a bicameral group of Democratic lawmakers led by Sen. Martin Heinrich (D-NM) and House Energy and Commerce Environment Subcommittee Chairman Paul Tonko (D-NY) are urging Congress to extend and provide additional flexibility for clean energy tax credits and federal investments in clean energy technology. The letter can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-06-02-heinrich-and-tonko-letter-on-clean-energy.pdf).
* Sens. Maria Cantwell (D-WA), Amy Klobuchar (D-MN) and Bill Cassidy (R-LA) introduced [S. 3861](https://www.cantwell.senate.gov/news/press-releases/cantwell-cassidy-and-klobuchar-introduce-bipartisan-legislation-to-protect-consumer-privacy-promote-public-health-for-covid-19-exposure-notification-apps%22%20%5Ct%20%22_blank), which establishes privacy requirements for COVID-19 tracking apps. The bill makes participation in online exposure notification systems voluntary and gives consumers strong control over their personal data. A press release on the bill can be found [here](https://www.commerce.senate.gov/2020/6/cantwell-cassidy-and-klobuchar-introduce-bipartisan-legislation-to-protect-consumer-privacy-promote-public-health-for-covid-19-exposure-notification-apps%22%20%5Ct%20%22_blank).
* Sens. Joe Manchin (D-WV) and Cory Gardner (R-CO) indicated that [S.3422](https://www.congress.gov/bill/116th-congress/senate-bill/3422?q=%7B%22search%22%3A%5B%22s.3422%22%5D%7D&s=1&r=1" \t "_blank), the Great American Outdoors Act, has 59 of the necessary 60 votes to pass. Currently, 43 of the 47 Senate Democrats support the bill, with Sens. Sheldon Whitehouse (D-RI) and Jack Reed (D-RI) holding out to secure coastal restoration funding and an offshore wind provision. Sens. Brian Schatz (D-HI) and Tom Carper (D-DE) have not detailed their reasons for not joining as cosponsors. Sen. Manchin is opposed to amendments due to concerns it will encourage others to support the bill with conditions.
	+ The bill would permanently fund the Land and Water Conservation Fund (LWCF) and provide billions to address shortfalls in public lands maintenance.
* Sen. Kelly Loeffler (R-GA) introduced [S.3859](https://www.congress.gov/bill/116th-congress/senate-bill/3859?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=26" \t "_blank), which extends the covered period for the Paycheck Protection Program (PPP) from eight weeks to 24 weeks. This extension aligns with House-passed H.R. 7010, the Paycheck Protection Program Flexibility Act, which could be taken up by the Senate as early as this week.
* The Senate Banking Committee held a hearing today on CARES Act implementation focused on Title IV, which contains the loans both to specific industries and the larger liquidity provided for Federal Reserve lending facilities. Our coverage of the hearing is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-06-02-senate-banking-committee-hearing-on-implementation-of-title-iv-of-the-cares-act.pdf).
* The Cybersecurity Solarium Commission, a Congressionally chartered commission, issued a pandemic-focused report that urges Congress to encourage security standards for the consumer electronics that have powered businesses’ remote operations for months, support nonprofits helping law enforcement respond to cybercrime that has flourished during the pandemic and fund independent groups tracking foreign influence operation. The Commission is chaired by Senator Angus King (I-ME) and Representative Mike Gallagher (R-WI). The report is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/cybersecurity-solarium-commission-report.pdf).

**House Activities**

* As we reported yesterday, House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OR) and Democrats on the Committee plan to release a $494B, five-year surface transportation green infrastructure bill tomorrow that is expected to resemble a framework released in January which focused on climate change and safety as focal points. A summary of the legislation can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-invest-in-america-bill-summary.pdf).
	+ At a high level the New Vision for the Environment and Surface Transportation in America Act:
		- Provides $494B over five years to make transformative infrastructure investments in surface and rail transportation. Provides $411B over five years out of the Highway Trust Fund (HTF) for highway, transit, safety, and research programs, a 46 percent increase over current investment levels.
		- Provides $319B for the Federal-aid highway program under the Federal Highway Administration, $105B for transit programs under the Federal Transit Administration, $4.6B for highway safety programs under the National Highway Traffic Safety Administration, $5.3B for motor carrier safety programs under the Federal Motor Carrier Safety Administration, and $60B for rail programs.
* Six House Energy and Commerce Committee Members, including Reps. Frank Pallone, Jr. (D-NJ), Greg Walden (R-OR), Bobby Rush (D-IL), Fred Upton (R-MI), Debbie Dingell (D-MI) and Tim Walberg (R-MI), wrote to the [Federal Energy Regulatory Commission](https://energycommerce.house.gov/sites/democrats.energycommerce.house.gov/files/documents/FERC.2020.6.1.%20Letter%20re%20Boyce%20Hydro.ENG_.pdf%22%20%5Ct%20%22_blank) (FERC) and [Michigan environmental regulators](https://energycommerce.house.gov/sites/democrats.energycommerce.house.gov/files/documents/MichiganDOE.2020.6.1%20Letter%20re%20Edenville%20Dam.ENG_.pdf%22%20%5Ct%20%22_blank) asking why a dam in the central part of the state that failed was allowed to keep operating. The dam had years of reports highlighting violations of safety standards and FERC took away the operator’s license in 2018.
* House Ways and Means Chairman Richard Neal (D-MA) criticized the Internal Revenue Service (IRS) after a report from the Treasury Inspector General on Tax Administration was issued stating that the IRS is not pursuing Americans who are failing to file taxes. The report states that the IRS is leaving tens of billions of dollars on the table. The report is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-06-02-treasury-inspector-general-report.pdf) to tonight’s update.
* Energy and Commerce Ranking Member Greg Walden (R-OR) [wrote in a letter](https://republicans-energycommerce.house.gov/wp-content/uploads/2020/06/06.01.20-Signed-Letter_5G-Upgrade-Order_Final.pdf%22%20%5Ct%20%22_blank) that the Federal Communications Commission (FCC) is on track with its 5G infrastructure order. This is set to be voted in June. In the letter, Walden praised the FCC and the proposed Order, which he said will provide much needed guidance and clarity to help get communities around the country greater connectivity.
	+ Some local officials, however, including Greenbelt, Maryland Mayor Colin Byrd, [disagreed](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fecfsapi.fcc.gov%2ffile%2f106010333724214%2fLetter%2520to%2520FCC%2520Opposing%2520Declaratory%2520Ruling.pdf&c=E,1,aWC7bjT7MbI4zg98fCX0Ly4I3Y8m1t7JHcEO8q_xGaVy0EN14Dt22lMcHXvTar8YNpG0Q7yBJSjGMHUk59DaosNTyW90MubPUL3WY8MyzgjFolkcxR3eGicA0Qw,&typo=1" \t "_blank).
* House Democrats are contemplating approaches to respond to police brutality in light of current events. Reps. Ayanna Pressley (D-MA) and Ilhan Omar (D-MN) have introduced a resolution that is but one approach to address the current societal and political environment we are facing.
* Twitter added a warning label to a tweet from Rep. Matt Gaetz (R-FL), which likened those who were protesting police violence to terrorists and called for them to be hunted down. Twitter flagged the tweet as “glorifying violence”, like the warning labels that have been placed on President Trump’s tweets.
* Rep. Brad Sherman (D-CA) and Rep. Ted Yoho (R-FL) [introduced](https://sherman.house.gov/media-center/press-releases/sherman-yoho-introduce-house-companion-sanctions-legislation-in-defense%22%20%5Ct%20%22_blank) H.R. 7083 to impose sanctions on China with respect to the autonomy of Hong Kong. The bill is in response to a new National Security law that was imposed on Hong Kong.
	+ It is companion legislation to [S.3798](https://www.congress.gov/bill/116th-congress/senate-bill/3798?q=%7B%22search%22%3A%5B%22s+3798%22%5D%7D&s=1&r=1" \t "_blank), which was introduced by Sens. Chris Van Hollen (D-MD) and Pat Toomey (R-PA).
* Rep. Chuy Garcia (D-IL) introduced [H.R. 7074](https://www.congress.gov/bill/116th-congress/house-bill/7074?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=11" \t "_blank), which establishes an Office of Equitable Transit Oriented Development and Mobility. The text of the legislation is not yet public, but Elevate will continue to monitor the legislation.
* Rep. Kevin Brady (R-TX), Ranking Member of the House Ways and Means Committee, introduced [H.R. 7065](https://www.congress.gov/bill/116th-congress/house-bill/7065?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=20" \t "_blank), which requires states to certify a process for distributing Coronavirus Relief Funds to local governments. While the text of the legislation is not yet public, introduction of this legislation shows that state and local relief remains a priority in Congress.
* Rep. Jim Banks (R-IN) introduced [H.R. 7064](https://www.congress.gov/bill/116th-congress/house-bill/7064?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=21" \t "_blank), which prohibits financial investment by a United States citizen in foreign industrial defense corporations with substantial connection to the Chinese military. This is the latest example of ongoing anti-China sentiment in Congress.
* Reps. Virginia Foxx (R-NC) and Tim Walberg (R-MI) wrote [letters](https://republicans-edlabor.house.gov/uploadedfiles/coronavirus_union_dues_letters_-_final.pdf%22%20%5Ct%20%22_blank) to the Presidents of the AFL-CIO, Service Employees International Union, International Brotherhood of Teamsters and UNITE HERE urging them to stop collecting dues from unemployed workers.

**Administration**

* The Trump Administration finalized a rule on Monday that will limit a tool used by states to block new pipelines and coal export terminals. The move, which has been praised by Republican lawmakers, limits the types of issues that states can consider when using their authority under Section 401 of the Clean Water Act to block federal permits and sets tighter timeframes for them to act. Additionally, the rule allows the Environmental Protection Agency (EPA) to overrule a state’s permit denial.
	+ A number of states and environmental groups have been planning legal challenges to this rule.
* Several groups representing the construction industry, including the American Road & Transportation Builders Association, [filed a brief](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.artba.org%2fwp-content%2fuploads%2f2020%2f06%2fAs-filed-Amicus-Brief.pdf&c=E,1,b-x_ueZijnJ71dGDTN9B_aJ9uU1lA0RLQTaLpVzpM9qeKtTOR-CcO2tjYMNNH1VuT7R7RWQvtW0mySlAWE2sKY5yaS3q47l-UVoksENj5WwnRpgKVGKndwfU4hI,&typo=1" \t "_blank) in federal court in opposition to the Occupational Safety and Health Administration (OSHA) implementing a general emergency standard for the pandemic. Instead, they urged that OSHA issue guidance tailored to individual industries.
* The Center for Disease Control (CDC) issued new guidance over the weekend that encourages employers to incentivize employees taking methods of transportation that limit close contact.
* The Office of the United States Trade Representative (USTR) announced the fifth batch of China tariff exclusions through the end of this year, [according to a Federal Register notice.](https://s3.amazonaws.com/public-inspection.federalregister.gov/2020-11833.pdf%22%20%5Ct%20%22_blank)This news is welcomed by a large amount of businesses who are facing 25% tariffs.
	+ Some of the biggest beneficiaries include seed companies A.P. Whaley and Bejo Seeds, as USTR has excluded 20 seed categories from the tariffs.
	+ However, it is not all good news for farmers, as major Chinese state-owned agricultural companies were ordered by the Chinese government to halt purchases of some U.S. farm goods like soybeans and pork.
	+ This move puts the phase one trade deal between China and the United States in more jeopardy.
* The Federal Transit Administration announced $130M in grant selections to fund 41 projects in 40 states and D.C. through the Low-or-no-Emission Grant Program (Low-No) to fund the deployment of transit busses and infrastructure that use advanced propulsion technologies.
* The Trump Administration announced that it will target Austria, Brazil, the Czech Republic, the European Union, India, Indonesia, Italy, Spain, Turkey and Britain in investigations into accusations that the nations unfairly targeted U.S. tech companies with digital service taxes. The investigations will be carried out by the Office of the United States Trade Representative (USTR).
* The Office of the Comptroller of the Currency has warned the U.S. Conference of Mayors and National Association of Governors about the effect of the lockdowns on U.S. Banks. In the [statement](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.occ.gov%2fnews-issuances%2fnews-releases%2f2020%2fnr-occ-2020-73.html&c=E,1,uWMkA2MvPYOgp8wovm7Na2vW9fQZJoIvtBungEOrv1dRqbfZ-5H64laPRMTwuhgXtyXV_Da65pzrZ-56nP-AoKzZSScrNBtriIPAQP_Rcz2shuc,&typo=1" \t "_blank), Acting Comptroller Brian P. Brooks warned that the shutdowns due to the coronavirus pandemic could hurt banks by increasing loan defaults and degrading the value of assets.
* Federal Register Notices:
	+ The Executive Order on Online Censorship was officially posted to the federal register and can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f02%2f2020-12030%2fpreventing-online-censorship&c=E,1,O0Pl2wC7CatCOZzJp0bUluokOcbOrvkQ40QbyJv8I_6r_0u-AYrKvLh3NOfwApv32BIGf2NmU-QjWDYM3iQDYLrQzNQWyD6LmmgQLoRK5_6sYHS4sHrceg,,&typo=1" \t "_blank).
	+ The Federal Communications Commission announced that the Office of Management and Budget (OMB) has approved, for a period of three years, an information collection associated with the rules for the Rural Digital Opportunity Fund auction contained in the Commission's Rural Digital Opportunity Fund Order. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f02%2f2020-11791%2frural-digital-opportunity-fund-connect-america-fund&c=E,1,GjHw7cXgKvuBayVqX-pyVOwZ0WpOIHL53oTeh4IWuKCt6guy8sNAP5i1RENODJyrJPbIqEnpE8DmNgDZl-60WfqMRknIdUtRX4uuJdinid4TmgxW_sx3KF_A64oZhg,,&typo=1" \t "_blank).

**Other News**

* California Attorney General Xavier Becerra has submitted final regulations on the California Consumer Privacy Act (CCPA) for approval to the Office of Administrative Law. The CCPA is widely known as the strongest data privacy law in the country and gives consumers the right to ask companies what personal data is collected and direct how it may be used. The law was not slated to be enforced until July 1, although the bill took effect on January 1, 2020.
* North Carolina Governor Roy Cooper (D) rejected the GOP’s plans for a normal convention in Charlotte in a [letter](https://www.politico.com/f/?id=00000172-7625-d3d2-ab7a-77255eb70000" \t "_blank) to the party and indicated that the only way to host the convention in his state is with proper health protocols.
* A new study from the University of Illinois at Chicago has given insights into life after the pandemic. The study said that teleworking carries much more potential than previously thought, with 59% of Americans who never previously worked from home indicating they are just as productive at home as they were in the office. Additionally, the study says that online grocery shopping and restaurant delivery will likely continue to replace individual trips far after the pandemic and the number of people walking and biking places, instead of using other modes of transit, will skyrocket.
* Frontier Airlines has implemented mandatory temperature checks for passengers. In a [video](https://twitter.com/FlyFrontier/status/1267456583279300608%22%20%5Ct%20%22_blank) published by the airline, Frontier shows what flying could look like in the near future.
* According to [data](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.urban.org%2fsites%2fdefault%2ffiles%2fmonthlystrh_april2020.pdf&c=E,1,Ls1yZsHZdAP5Ivbqsd6QWFz5Kqo5JVSG-iB0cn50oirkebteNMrYp8J7sOC4BJK6Rk0l8DOLEM7x4Gf_gT2rkI8B68YeklYVyKOV1HuNY3m42VWPhXgd74bo-g0,&typo=1" \t "_blank) published by the Urban Institute, states only collected about half the revenue in April 2020 that they did in April 2019. This aligns with the data published by the National Association of State Budget Officers that we reported on Friday.
* Tech trade groups, including the Software Alliance, Chamber Technology Engagement Center, Computing Technology Industry Association, Consumer Technology Association and Information Technology Industry Council [wrote a letter](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.bsa.org%2ffiles%2fpolicy-filings%2f06012020multinistletter.pdf&c=E,1,ceda3Brw3YkRSFd72ttGZjlvarCNAv3IAsi1MU86gKo-_gDOD8PLuCZabyBqayN0eDgtnRNg1_gjhrrFQ5qfED9E93_U6fpeJgzKDZNfUd-RSfFjsg,,&typo=1" \t "_blank) to Reps. Jose Serrano (D-NY) and Robert Aderholdt (R-AL), the respective Chairman and Ranking Member of the Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies, asking them to direct the National Institute of Standards and Technology to create guidelines that help companies navigate the technical and ethical hurdles of developing artificial intelligence.
* The National Association of Chain Drug Stores sent a [letter](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.nacds.org%2fnews%2fnacds-urges-operation-warp-speed-to-prepare-now-to-accelerate-covid-19-vaccinations-through-pharmacies%2f&c=E,1,rbdiFPegaFjhuYPeRGkwPXVUdfIr429AtZKGFKZTVugIaBXbwJmhtWDO9V8VY6uvswkY79cM4cgVh_mLvGbBAVebCBEnu48nZfFsRlTNQQ8BivCtgg,,&typo=1" \t "_blank) on Monday to Health and Human Services officials to advocate for the inclusion of 40,000 commercial pharmacies as COVID-19 vaccine distribution centers.