June 9, 2020

TO: USTOA Members

FR: Terry Dale

Below is our COVID-19 Update for June 9, 2020:

**Congress**

**Senate Activities**

* Senate Republicans have still not begun negotiations on the next COVID-19 relief bill. Senate Majority Leader Mitch McConnell (R-KY) said in a floor speech that he believes that the economy has “bottomed out”, in part due to unemployment numbers that were better than expected. Sen. Roy Blunt (R-MO) said that he believes that the end of July is when the next relief bill will be completed.
  + As a reminder, the Senate is currently scheduled to be in recess beginning in the first week of July through July 17 and plans to begin its August recess August 7. This date is, as always, subject to change if work continues on pressing legislation such as a COVID-19 relief package. However, Leader McConnell has said that the schedule will not change.
  + Senate Republicans continue to prioritize liability protections for businesses and, to that end, Sen. Kelly Loeffler (R-GA) introduced [S. 3915](https://www.congress.gov/bill/116th-congress/senate-bill/3915" \t "_blank), which exempts certain businesses from liability arising from claims related to an individual contracting COVID-19 as a result of patronizing a business or healthcare entity. Bill text can be found [here](https://www.loeffler.senate.gov/sites/default/files/2020-06/SIL20681.pdf" \t "_blank).
  + Drivers of future COVID-19 relief legislation include the unemployment compensation program, which ends July 31, and the need for a stimulus, which many outside groups continue to push for.
* H.R. 1957, the Great American Outdoors Act, passed its first procedural hurdle last night in an 80-17 cloture vote. The bill had strong bipartisan support on the vote with 36 Republicans joining all but 3 Democrats to move to the bill. There is likely to be a substitute amendment, but no other amendments will be allowed to be considered.
  + One of the sponsors, Sen. Cory Gardner (R-CO), indicated that debate and final passage of the legislation could slip into next week.
  + We believe the Senate will pass the bill. Subsequent to passage, the Senate will return to judicial nominations and then likely pivot to the National Defense Authorization Act (NDAA) for the last two weeks leading up to the July recess.
* Sen. Mitt Romney (R-UT) is reportedly working with other Republican Senators, including Sens. Tim Scott (R-SC), Senator John Cornyn (R-TX) and Lindsey Graham (R-SC), on criminal justice reform legislation.
* Sens. Marco Rubio (R-FL), Kevin Cramer (R-ND), Josh Hawley (R-MO), and Kelly Loeffler (R-GA) are collectively requesting that the “Federal Communications Commission (FCC) clearly define the framework under which technology firms, including social media companies, receive protections under Section 230 of the Communications Decency Act.” The four Senators wrote a [letter](https://www.rubio.senate.gov/public/_cache/files/c204fc9b-360e-4846-9db7-c9eba0600b18/F8EDFBD5B590665E44E91E240D1F473C.20.06.09--fcc-pai-230-letter-signatures.pdf" \t "_blank) to FCC Chairman Ajit Pai in support of the President's recent Executive Order and how it would designate a regulatory role for the FCC, which does not directly oversee social media companies.
* Family members of victims of the Boeing 737 Max crash in Ethiopia last year requested that they be allowed to testify at the Senate Commerce, Science, and Transportation Committee hearing next week, which will consider Chairman Roger Wicker’s (R-MS) proposal to make changes to the Federal Aviation Administration’s (FAA) certification process. One family member criticized the legislation as lacking “teeth” in a letter to the committee, which can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/6-9-20-boeing-family-member-letter.pdf).
* The Senate Energy and Natural Resources Committee advanced the nomination of Energy Undersecretary Mark Menezes to become Deputy Secretary of Energy via voice vote. Sen. Catherine Cortez Masto (D-NV) was recorded as voting no.
* The Senate Permanent Subcommittee on Investigations released its bipartisan report on the threats posed by Chinese state-owned telecommunications providers. The report can be found [here](https://www.hsgac.senate.gov/imo/media/doc/2020-06-09%20PSI%20Staff%20Report%20-%20Threats%20to%20U.S.%20Communications%20Networks.pdf" \t "_blank).
  + The findings recommended that the FCC finish their review of the China-based companies’ licenses. The process could end with the companies’ licenses being revoked, removing their ability to operate in the United States. This could increase friction between the United States and China.
* The Senate Armed Services Committee continued its subcommittee markups today on the fiscal year (FY) 2021 NDAA. The NDAA is one of the pieces of must pass legislation every year and often is used as a vehicle for legislative priorities that are not solely defense related.
  + Subcommittee markups today included Emerging Threats and Capabilities, Airland, Personnel, Seapower, and Cybersecurity.
* The Senate Appropriations Committee plans to mark-up FY 2021 legislation the week of June 22. This will provide the subcommittees and full committee two weeks to consider the bills before the July 4 recess, though they may not complete committee action until the Senate returns after July 17.
* Senator Mike Enzi (R-WY) is pushing a measure that would boost visa fees on foreign visitors to pay for maintenance for national parks.
* The Senate Homeland Security and Governmental Affairs Committee held a hearing on the Federal government’s procurement and distribution strategies during the COVID-19 pandemic. Specifically, the hearing focused on the medical supply chain and the national stockpile. Our coverage of the hearing is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/6-9-2020-senate-hsgac-hearing-on-federal-governments-procurement-and-distribution-strategies.pdf). The hearing featured testimony from:
  + The Honorable Peter T. Gaynor, Administrator, Federal Emergency Management Agency (FEMA)
  + Rear Admiral John Polowczyk, Vice Director of Logistics, Joint Chiefs of Staff
  + The Honorable Brett Giroir, M.D., Assistant Secretary for Health, U.S. Department of Health and Human Services (HHS)

**House Activities**

* House Majority Leader Steny Hoyer (D-MD) indicated he would call the House back for a vote on the police reform bill that Democratic leadership announced in conjunction with the Congressional Black Caucus. This will likely come before the House’s scheduled late June return.
  + Leader Hoyer noted that the Senate seems unlikely to pass the bill as currently drafted.
* Members of the House Committee on Oversight and Reform’s Subcommittee on the Environment requested a remote hearing with FEMA leadership on preparedness for natural disasters as the country enters hurricane season. The letter can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/oversight-environment-letter.pdf).
* A bipartisan group of 44 House members, mostly from the Midwest and led by Rep. Abby Finkenauer (D-IA), wrote to President Trump requesting he deny requests by oil states to grant waivers on Renewable Fuel Standards requirements. The letter emphasized the value of biofuels and the impact that the COVID-19 pandemic has had on ethanol production. The letter can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/finkenauer-letter.pdf).
* Rep. Ed Case (D-HI) introduced [H.R. 7128](https://www.congress.gov/bill/116th-congress/house-bill/7128?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=19" \t "_blank), or the “[Air Travel Public Health Emergency Act](https://case.house.gov/news/documentsingle.aspx?DocumentID=314" \t "_blank)” which authorizes states to implement public health guidelines on incoming passenger air travel. Rep. Case introduced the bill after consulting with the Federal Aviation Administration (FAA) and said they had no authority to prevent this legislation.
* Democrats on the House Judiciary Committee [sent a letter](https://judiciary.house.gov/uploadedfiles/2020-06-05_letter_to_omb_regarding_apparent_exploitation_of_covid-19_pandemic_to_push_deregulatory_agenda.pdf" \t "_blank) to the Office of Management and Budget (OMB) accusing the Trump Administration of utilizing the pandemic to advance a deregulatory agenda. They referenced the Department of Transportation’s (DOT) rulemaking on unfair and deceptive practices by airlines.
* In the House Democrats’ police reform bill, one provision would ban federal law enforcement from using facial recognition software to scan body camera footage without a warrant.
  + Today, 35 House Democrats sent a [letter](https://eshoo.house.gov/sites/eshoo.house.gov/files/Eshoo-Rush%20Ltr%20to%20FBI%2C%20NG%2C%20CBP%2C%20DEA%20on%20government%20surveillance%20of%20protesters%20-%206.9.20.pdf" \t "_blank), led by Reps. Anna Eshoo (D-CA) and Bobby Rush (D-IL) to the Federal Bureau of Investigation (FBI), National Guard Bureau, Drug Enforcement Administration (DEA) and Customs and Border Protection (CBP) about the surveillance of activists at recent protests over George Floyd’s killing. The letter discusses concerns that agencies are using tools, including facial recognition, to collect personal information.
  + House Oversight and Reform Committee Leaders, including Chairwoman Carolyn Maloney (D-NY), Rep. Jamie Raskin (D-MD), Rep. Stephen Lynch (D-MA), Rep. Alexandria Ocasio-Cortez (D-NY) and Rep. Ayanna Pressley (D-MA), authored a [letter](https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2020-06-05.CBM%20et.%20al%20to%20Wolf-%20DHS%20re%20Peaceful%20Protestors_0.pdf" \t "_blank) to the Department of Homeland Security (DHS) asking about its use of facial recognition technology, and its use of drones and uniformed offices, to surveil protests.
* The House Transportation and Infrastructure Committee held a hearing on the perspectives of frontline transportation workers during the COVID-19 pandemic. Our coverage of the hearing is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/6-9-20-house-ti-hearing-on-frontline-transportation-workers.pdf). The hearing featured testimony from:
  + Mr. Larry Willis, President, Transportation Trades Department of the AFL-CIO
  + Mr. LaMont Byrd, Director of Health and Safety International Brotherhood of Teamsters
  + Ms. Susannah Carr, Flight Attendant, United Airlines, on behalf of the Association of Flight Attendants – CWA
  + Mr. Tom Shaw, Transit Operator, Southeastern Pennsylvania Transportation Authority on behalf of the Transportation Workers Union
  + Mr. Randy Guillot, President, Triple G Express, Inc. and Southeast Motor Freight Inc., and Chairman, American Trucking Associations, on behalf of the American Trucking Associations

**General Congress**

* The Director of the Congressional Budget Office, Phillip Swagel, said at a virtual forum for the Peter G. Peterson foundation that the economic downturn spurred by the pandemic will be tougher to fix than the 2008 crisis. He cited the most recent jobs report as a signal that an economic rebound has begun to occur, but also shared his view that Congress had a number of considerations to take into account as it continues to discuss COVID-19 relief.
  + Specifically, Swagel raised that, during the 2008 recession, Congress provided relief to state and local governments to avoid tax increases and budget cuts, something that Congress has yet to do during the pandemic. Though state and local relief has been provided for emergency and increased healthcare operations, it has not yet been made available to address state revenue shortfalls due to the pandemic.
  + Swagel also raised the trade-offs associated with extending expanded unemployment benefits that expire in July, commenting that while they may aid economic growth, those benefits could inhibit a return to work for some employees.

**Administration**

* Recent data from DOT and the Department of the Treasury illustrate the drastic decrease in automobile traffic during the COVID-19 pandemic. The Federal Highway Administration’s [report](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.fhwa.dot.gov%2fpolicyinformation%2ftravel_monitoring%2f20aprtvt%2f&c=E,1,zI1pH6KqE9XItzYYJauUyRDHoYEYR765XoWxyTi1cQoY1FWfLFvgHLwihXmt2GLmRGZpGBb6gLllWrvlKXNfgZoJe17Iy8tqcCtOGteO5B2RSiySkg,,&typo=1" \t "_blank) on vehicle miles traveled in April shows a nearly 40% drop from April 2019. According to the Eno Center for Transportation, gas tax receipts were 79% below May 2019 levels, due to “a combination of a 45% drop in gross fuel tax receipts and an unusually large downwards adjustment to prior tax deposits.”
  + The decreased revenue from the gas tax as a result of the pandemic could lead to even quicker Highway Trust Fund insolvency.
  + Highway Trust Fund solvency and a pay-for for surface transportation programs remain at the center of negotiations as Congress considers surface transportation reauthorization legislation.
* Export-Important Bank (EXIM) President and Chairman Kimberly Reed participated in a Council on Competitiveness virtual dialogue with more than 40 members of the Council’s “Technology Leadership and Strategy Initiative.” During the hearing, Chairman Reed highlighted EXIM’s role in advancing American innovation by helping U.S. businesses export their “Made in the USA” products around the world.
* EXIM announced that they have revised key features of two short-term export credit insurance products that will provide U.S. exports and financial institutions with additional options designed to streamline the application process and enhance the customer experience. The two revised standards include [Short-Term Credit Standards](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.exim.gov%2ftools-for-exporters%2fcredit-standards&c=E,1,59DK3-4PUF_8ylsp3rEcUF9Gq3Bgw6O9UyK07BjbSgy6jnLsVb_IlCFXRw1soLG-H4VlYg0pbRceuP3ZQ27I0fGxeXCYJMTOAPyvWh5TFdKyFfv1fMSGFw,,&typo=1" \t "_blank) and [Multi-Buyer Select Risk Insurance](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.exim.gov%2fwhat-we-do%2fexport-credit-insurance%2fmulti-buyer-select-risk-policy&c=E,1,a_TJiRYsRQsQNu0o-4ZcEv9t8mikmUmIm3-bb-xZjif7CMnAojKccV3Po6JVtLQ6lngDfEm_okYAthSMQmnDTTc9W0DGzpYNyN4ROPQSb1k_OfOi62ZjAXlAcWE,&typo=1" \t "_blank).
* A coalition of nine states asked a federal judge to block the Environmental Protection Agency’s (EPA) March guidance on enforcement nationwide during the pandemic. The argument referenced that the guidance incentivizes increased pollution and will irreparably harm the states. The brief can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/epa-brief.pdf).
* HHS is sending $25B to Medicaid and Child Health Insurance Program (CHIP) providers including hospitals, dentists, pediatricians and opioid treatment centers, who largely have yet to receive relief during the COVID-19 pandemic. These providers predominantly offer charity care and operate on very thin profit margins.
  + Additionally, HHS is giving $204M to Corning Inc., to increase production of glass vials in anticipation of an eventual vaccine for COVID-19.
* In a letter to President Trump, the Interior Department and other related agencies, the Center for Biological Diversity said that they will sue the Administration over its Executive Order directing officials to waive environmental reviews for new infrastructure projects. The letter can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/center-for-bioloigical-diversity-letter.pdf).
* The Trump Administration directed the DoD, along with five other federal agencies, to spend the next two months sketching out how it would cover the world's polar regions using bases and ships by FY 2029. As a reminder, the Coast Guard currently only has one heavy icebreaker, the 44-year old Polar Star, which is well beyond its service life and spends much of the year in repairs.
  + The Coast Guard has expressed the need for three new heavy icebreakers and three medium icebreakers.
  + The FY 2021 budget request would provide funding for a second heavy icebreaker.
* The FCC voted today to move forward with 5G Infrastructure, despite calls from Democratic lawmakers and Commissioners to delay the vote due to the coronavirus. The vote was 3-2 along party lines.
  + Commissioners will also vote on a public notice to set up an agency effort to dole out $16B in rural broadband subsidies to telecom companies as part of the Rural Digital Opportunity Fund auction, starting October 29.
* FCC Commissioner Geoffrey Starks is seeking nominations, through July 8, for his newly created Digital Opportunity Equity Recognition Program , which recognizes “organizations, institutions, companies and individuals who, through their actions and responses to the COVID-19 crisis, have helped to make quality affordable broadband service available to unserved or underserved communities.”
* The Department of Education’s new regulation which would restrict which college students could receive emergency relief grants under the CARES Act will not be released this week as previously planned. The delay came in response to a court [filing](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.courtlistener.com%2frecap%2fgov.uscourts.cand.359334%2fgov.uscourts.cand.359334.35.0.pdf&c=E,1,Y-NGXEufIc4YWz8oYtaqgRfKMSsVPsB0OHbVJS3QIwI6R13PYZ5WXhWD4SioCLugLSw1k5mnY0rmjabubQY72XICGCr0jZD5VCdZbcfn2DTg6Ln97r50&typo=1" \t "_blank), which was filed this morning.
* DOT issued a Notice of Funding Opportunity for $293,000 in grants under the Railroad Trespassing Suicide Prevention Grant Program.
* Carbon dioxide emissions from U.S. electricity production will drop this year as the COVID-19 crisis has caused decreased levels of power demand. Additionally, wind, solar and natural gas continue to displace production from coal-fired plants, according to a forecast released by the Department of Energy (DOE) on Tuesday.
* Christopher Hanson was sworn in on Monday as the fifth commissioner of the Nuclear Regulatory Commission.
* Both U.S. and Canadian governments must decide before June 22 whether to extend, amend, or expire current land border restrictions.
  + Canada is expected to push for maintaining the current restrictions on cross-border travel to all but essential travel.
  + Prime Minister Justin Trudeau announced Monday that border officials will begin admitting immediate family members of Canadian citizens and permanent residents. However, those travelers will be required to observe a 14-day quarantine, and thus must be able to stay in Canada for 15 days.
* Federal Register Notices:
  + The Food and Drug Administration [announced](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f09%2f2020-12491%2fagency-information-collection-activities-comment-request-eligibility-of-students-at-institutions-of&c=E,1,P0fP4oXGqEJnsToJ1qjHO4wKWYRlBWExoQDv1u2MzH_gZJJtFnyyvUn7VTfZcEfl1S6g-Th0LiWE2n_HRUhm2lpdMehHMANtA5HOgOrjbaY5lLKuaBtrhDSfpBcW6A,,&typo=1" \t "_blank) the “Institutional Review Board (IRB) Review of Individual Patient Expanded Access Requests for Investigational Drugs and Biological Products During the COVID-19 Public Health Emergency.”
  + The Department of Homeland Security [filed](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f09%2f2020-12378%2funderstanding-public-perception-and-acceptance-of-first-responders-use-of-unmanned-aircraft-systems&c=E,1,dovSc4XtAnma-37ibV3EnW8vfYBPNvha8jLefuNynrlR5do_vVSiUPaGuYyB7YACcQfWAqq8zxpDIELvwEoLaNb7xGxh9qgQT7frrRiaGHGm&typo=1" \t "_blank) an information request with the Office of Management and Budget on Understanding Public Perception and Acceptance of First Responders’ Use of Unmanned Aircraft Systems.
  + President Trump signed an [Executive Order](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f09%2f2020-12584%2faccelerating-the-nations-economic-recovery-from-the-covid-19-emergency-by-expediting-infrastructure&c=E,1,4n6YC7MlgoWfCYAC7HyTJvUQgb7Tbg4tKy2374AFWpiuhyvixoF5NYi8UdDkkWtN4-gCSAUA7bwiQ7J-Pwe1FTQHWmq9rPLrk01sqdLtaPxBlBYsvRw,&typo=1" \t "_blank) entitled “Accelerating the Nation's Economic Recovery From the COVID-19 Emergency by Expediting Infrastructure Investments.”
  + The President [issued](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f09%2f2020-12585%2fprotecting-united-states-investors-from-significant-risks-from-chinese-companies&c=E,1,SEZLFd8PuhIdBgbDWCLwDBMEQd1ppRwCHumwLj2PX4_aod1aDlZmPJZPYQM-1sbQVT0RxzHqfbcSxcYsoscsZSMTKZJT6DsCmFLUE9FwToJ1ezt2FsJ4FFw,&typo=1" \t "_blank) a Presidential Memorandum on “Protecting United States Investors from Significant Risks from Chinese Companies.”

**Other News**

* European Union countries on Tuesday agreed that international aviation’s total emissions in 2020 should not be considered in the calculations for the carbon offsetting agreement Corsia. This change will make the agreement cheaper for airlines if it is enacted.
  + The original Corsia agreement stated that the cap on emissions would be created by the average amount of emissions in 2019 and 2020. Airlines would be required to pay to offset any emissions above that baseline.
* Oil rigs in the Gulf of Mexico took the first precautionary steps in advance of Tropical Depression Cristobal. The Bureau of Safety and Environmental Enforcement estimated about 34.02% of oil production in the Gulf is currently shut-in and 35.14% of natural gas production is shut-in. Shutting-in is the implementation of a production cap set lower than the available output of a specific site.
  + British Petroleum (BP) has announced its intention to cut nearly 10,000 jobs by the end of the year.
  + Chevron has also cut 15% of their global workforce.
* The Motor & Equipment Manufacturers Association (MEMA) outlined the response of the motor vehicle parts supplier industry and expressed concerns over the ongoing challenges it faces in the wake of the COVID-19 pandemic and subsequent manufacturing shutdowns in a [letter](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.mema.org%2fsites%2fdefault%2ffiles%2fMEMA%2520Letter%2520to%2520Senate%2520Commerce%2520June%25203%25202020%2520COVID%2520Hearing.pdf&c=E,1,oa5_qSeacsOuxdit56_wEKm8wSt7N28v_r8K2IEKHNujsxOMR_okuTN4yc7mgrsG_OIi7IxP_CNHgaN1UXu3XN-1qFPOr1Q0WX0Oa5hIx1GHttp7&typo=1" \t "_blank) for the record to the Senate Committee on Commerce, Science, and Transportation for a hearing titled “The State of Transportation and Critical Infrastructure: Examining the Impact of the COVID-19 Pandemic.”
* 441,255 passengers traveled through Transportation Security Administration (TSA) security checkpoints on Sunday, the most since late March.
* Mexican President Andrés Manuel López Obrador on Monday nominated Jesus Seade, Mexico’s Undersecretary for North America, to serve as director-general of the World Trade Organization (WTO).
* The Association for Accessible Medicines is pushing the U.S. to negotiate an international agreement with its allies to ensure adequate supplies of pharmaceuticals during the next public health crisis, as opposed to trying to bring all drug production back to the United States.
* Researchers at the University of California-Berkeley's Goldman School of Public Policy found that getting 90% of power from renewable sources would require a $1.7T investment over 15 years, bringing a net increase of 530,000 energy jobs, while curbing greenhouse gas emissions by 27% and shedding $1.2T in health and environmental costs. Their full report can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.2035report.com%2f&c=E,1,fgfy3KH2GorZr_AA3Ev2UKPvfJkc2rw0f4o4rKnkEZ54mgqrw-RIiehzr8F3eOQ2VVm8EoyvvWpLq-ju-w6272Yptko3dOZU9efnXNVTOz0YKQkAflg,&typo=1" \t "_blank).