June 17, 2020

TO: USTOA Members

FR: Terry Dale

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Below is our COVID-19 Updates for June 17, 2020:

**Congress**

**Senate Activities**

* The Senate passed H.R. 1957, the Great American Outdoors Act, by way of a 73-25 vote.
* Senate Majority Leader Mitch McConnell (R-KY) announced that the Senate will consider Senate Republicans’ police reform legislation, the JUSTICE Act led by Sen. Tim Scott (R-SC), next week. At a high level, the JUSTICE Act would implement reporting requirements on the use of deadly force by officers and reduce federal funding for state and local police departments that fail to comply. In addition, the legislation requires state and local governments to submit reports on “no-knock” warrants to the Justice Department. It would also limit eligibility for funding if a law enforcement agency does not have a policy that prohibits the use of chokeholds “except when deadly force is authorized.” A press release for the legislation is [here](https://www.scott.senate.gov/media-center/press-releases/justice-act-introduced-in-united-states-senate%22%20%5Ct%20%22_blank), bill text is [here](https://www.scott.senate.gov/imo/media/doc/JUSTICEActText.pdf%22%20%5Ct%20%22_blank), and a section-by-section summary is [here](https://www.scott.senate.gov/imo/media/doc/20.06.17%20-%20JUSTICE%20Section%20By%20Section%20FINAL.pdf%22%20%5Ct%20%22_blank).
	+ Sen. Scott’s package includes no mentions of facial recognition software, biometric identification or surveillance more broadly, unlike the House Democratic police reform package, which included banning warrantless federal law enforcement use of facial recognition software on body-cam footage.
	+ Democrats have criticized the legislation as not going far enough, which may influence whether the legislation will pass procedural votes next week.
	+ As of this writing, the House Judiciary Committee is still considering the House Democrats’ police reform legislation.
	+ Reports indicate that Rep. Pete Stauber (R-MN) will introduce a House companion measure in the coming days.
	+ Consideration of this legislation may also affect timing of the National Defense Authorization Act (NDAA) in the Senate.
* Reports indicate that Senate Appropriations markups may be delayed. According to Appropriations Chairman Richard Shelby (R-AL) Democrats on the Committee are pushing for the inclusion of additional COVID-19 relief and police reform provisions as part of the government spending legislation. As a reminder, Senate Appropriations markups were set to begin next week.
* Senators from both parties sent two letters to Senate leadership about the importance of transportation funding. In the first letter, 26 bipartisan Senators, led by Sens. Sheldon Whitehouse (D-RI) and Mike Rounds (R-SD), wrote to Senate leadership asserting that state transportation agencies will need $50B in funding in the next COVID-19 response bill to keep their employees and move forward with current projects.
	+ In the second letter, 17 bipartisan Senators, led by Sens. Kirsten Gillibrand (D-NY) and Richard Burr (R-NC), asked that any highway funding in a future COVID-19 response bill be allocated by calculations based on states’ non-federal revenue. The letters can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/burr-gillibrand-highway-letter.pdf) and [here](https://ustoa.com/r/ustoa-filemanager/source/resources/rounds-whitehouse-transit-letter.pdf).
* The Senate Commerce, Science, and Transportation Committee held a hearing on the Boeing 737 MAX crashes and aircraft certification practices. The witnesses in the hearing included Federal Aviation Administration (FAA) Administrator Steve Dickson and Michael Stumo, whose daughter was killed in one of the Boeing 737 MAX crashes. Our coverage of the hearing is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/6-17-20-senate-commerce-hearing-on-faa-oversight-of-aircraft-certification.pdf).
	+ During the hearing, Senate Commerce Chairman Roger Wicker (R-MS) accused the FAA of hindering the Commerce Committee’s probe into the way the Boeing 737 MAX was certified. Chairman Wicker told FAA Administrator Dickson that he believes that the FAA deliberately tried to keep him and the Commerce Committee in the dark and stated that the agency has not responded to their meeting requests and has ignored information requests. Wicker said that only 10% of the Commerce committee's requests have been completed in full and 30 have been partially completed.
* The Senate Finance Committee held a hearing with United States Trade Representative (USTR) Robert Lighthizer on the President’s trade policy agenda.
	+ USTR Lighthizer was largely questioned on World Trade Organization (WTO) reform and the implementation of current trade agreements, including the United States-Mexico-Canada Agreement (USMCA). Tariffs were also discussed, as were details of trade negotiations between the United States (U.S.) and China, Japan, the United Kingdom, Brazil, and others. USTR Lighthizer also raised tightening the de minimis level, which allows low-value packages to enter the United States without duties.
		- The House Ways and Means Committee held a hearing on the same topics, also with USTR Lighthizer.
		- During the Ways and Means hearing, Lighthizer revealed that the United States had withdrawn from Organization for Economic Cooperation and Development (OECD) discussions on digital service taxation because the U.S. felt that no progress was being made.
* During yesterday’s Senate Commerce, Science, and Transportation Committee Hearing on the nomination of Nancy Beck to be the Chair of the Consumer Product Safety Commission, Beck was pressed over her history lobbying for the American Chemical Council and her siding with chemical-makers over public safety in other previous capacities.
	+ Following the hearing, Sens. Shelley Moore Capito (R-WV) and Lisa Murkowski (R-AK) announced that they will oppose Nancy Beck’s nomination. With their opposition, Democrats are two votes away from blocking the nomination.
	+ In addition, Commissioner Mike O’Rielly, who is being reconfirmed for another term at the Federal Communications Commission (FCC), was pressed over the agency’s April order approving satellite company Ligado Networks’ 5G plans, which critics including the Pentagon say will disrupt GPS.
	+ Also, during the hearing, Chairman Wicker revealed that he is now focused on how to speed up the disbursement of rural broadband subsidies from the FCC’s October Rural Digital Opportunity Fund auction of $16B.
	+ Our coverage of yesterday’s nominations hearing, which we shared earlier today, can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-06-16-senate-commerce-nominations-hearing.pdf) for your convenience.
* The Senate Ethics Committee dismissed its insider trading investigation into Sen. Kelly Loeffler (R-GA). The news follows the Justice Department dropping their probe into her three weeks ago. As a reminder, a number of Senators had been under investigation after moving stock that raised concerns over insider knowledge based on a Senator-only briefing on COVID-19. Only the investigation involving Sen. Richard Burr (R-NC) remains open.
* Senate Majority Leader McConnell said he plans to stay on as the Senate Republican leader regardless of the outcome of the November elections. Both Sens. John Thune (R-SD) and John Cornyn (R-TX), who are potential successors, said they support his decision to stay on as long as possible.
* Sen. Joni Ernst (R-IA) [announced](https://twitter.com/SenJoniErnst/status/1272913641596170241%22%20%5Ct%20%22_blank) that she will introduce legislation to require lawmakers to disclose if they or their families have taken loans from the Paycheck Protection Program (PPP).
* The Senate Commerce, Science, and Transportation Committee announced plans to hold a hearing on FCC Oversight next Wednesday, June 24. The hearing will feature testimony from:
	+ Ajit Pai, Chairman, FCC
	+ Michael O’Rielly, Commissioner, FCC
	+ Brendan Carr, Commissioner, FCC
	+ Jessica Rosenworcel, Commissioner, FCC
	+ Geoffrey Starks, Commissioner, FCC

**House Activities**

* The House Transportation and Infrastructure Committee began its markup of [H.R. 2](https://www.congress.gov/bill/116th-congress/house-bill/2?q=%7B%22search%22%3A%5B%22hr+2%22%5D%7D&s=3&r=1" \t "_blank), the INVEST in America Act, today. The bill is a 5-year surface transportation reauthorization. Over 300 amendments were officially filed, and the markup is still continuing as of this writing and is expected to continue late into the night. So far, the markup has moved extremely slowly as Committee Members and staff become acquainted with marking up such a major piece of legislation, in part, remotely. There were also technical difficulties that slowed the markup even further. Republicans generally lamented the lack of bipartisanship in drafting this legislation.
	+ The manager’s amendment included 50 amendments, but Chairman Peter DeFazio (D-OR) did not list which amendments, specifically, had been included in the manager’s amendment.
	+ Ranking Member Sam Graves (R-MO) offered an amended Republican substitute, which is being called the Surface Transportation Advanced through Reform, Technology, and Efficient Review (STARTER) Act.
	+ The amendment tracker found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-06-17-invest-in-america-act-amendment-tracker-considered-to-date.xlsx) reflects 39 amendments that have been considered, in addition to the manager’s amendment. Elevate will continue to track amendments and will provide an updated amendment tracker tomorrow.
	+ There is an expectation that, once the legislation moves to the House floor, other infrastructure funding will be added, including an aviation title providing additional Airport Improvement Program (AIP) funds. There also will likely be additional provisions, including those related to rural broadband, added to H.R. 2 during floor consideration by the House.
* During today’s Transportation and Infrastructure Committee markup, Chairman DeFazio stated that he still plans to consider the House Water Resources Development Act (WRDA) next month.
* As mentioned above, the House Judiciary Committee continues to consider the Democratic police reform bill, [H.R. 7120](https://www.congress.gov/bill/116th-congress/house-bill/7120?q=%7B%22search%22%3A%5B%22hr+7120%22%5D%7D&s=2&r=1" \t "_blank). The legislation is expected to pass out of the Committee and out of the House.
* The House Small Business Committee held a hearing today on loan forgiveness issues and other challenges associated with the PPP. The Committee heard testimony from:
	+ Ms. Melissa Kelly, Executive Chef and Proprietor, Primo
	+ Mr. Eduardo Sosa, Senior Vice President, SBA Lending, Commerce National Bank
	+ Ms. Ashley Harrington, Director of Federal Advocacy and Senior Counsel, Center for Responsible Lending
	+ Dr. Rich Coleman, DVM, Owner, Four Paws Animal Hospital
* The House will now require masks during committee hearings, per new guidance issued by the Capitol physician last night. Speaker Pelosi discussed the idea with Democrats during a conference call on Monday, expressing concern that some Republicans have refused to wear face coverings. However, during the markup of H.R. 2 many members participated without masks.

**General Congress**

* The Alaska Congressional delegation wrote a letter to the Federal Reserve asking if their refusal of five major banks to finance Arctic National Wildlife Refuge drilling is a violation of any federal laws. The letter can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/alaska-letter.pdf).

**Administration**

* As we have reported, the U.S. and Mexico and Canada have agreed to extend travel restrictions on shared borders until July 21. Mexican officials, in particular, are worried that the Trump Administration will keep the restrictions in place until later this fall.
* The Pandemic Response Accountability Committee (PRAC), comprised of Inspectors General from across the Federal government, issued a report outlining the top challenges facing Federal agencies in distributing COVID-19 relief funds. The full report can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fpandemic.oversight.gov%2fnews%2farticles%2fprac-releases-report-top-challenges-facing-federal-agencies-related-covid-19&c=E,1,Y3gDWavr1XSpzQfwU6eylj7St4vb4qcVZSmVh4sdqbQnhD4tNtCHUSs41ufTGZnABAM_STA1N4vpapD_7gfdHoy-_gP1yV4OvHy6BO_37vHny2RsdC8lE1Z0jeA,&typo=1" \t "_blank).
* Three employees at the Internal Revenue Service (IRS) have tested positive for COVID-19 after they returned to work in a facility in Austin, Texas. The IRS said they have cleaned the facilities and have a plan in place to prevent this in the future. However, the President of the largest union for IRS employees, the National Treasury Employees Union, Tony Reardon, said that he is unsure of the IRS’ plans and that employees should not have to risk their lives to come back to work.
* The Federal Trade Commission (FTC) took legal action to stop a plot that attempted to deceive consumers by issuing fake mailers that directed recipients on how to receive federal COVID-19 stimulus benefits, but instead led them to a used car sale. The filing can be found [here](https://www.ftc.gov/system/files/documents/cases/traffic_jam_events_complaint.pdf?utm_source=govdelivery" \t "_blank).
* The Department of Justice will propose a plan limiting internet companies’ protections (Section 230). The plan, which is yet to be released, will propose changes to encourage online platforms to be aggressive in addressing illicit and harmful content on their sites and to be more fair and consistent in their decisions to take down content they find objectionable. This is a legislative proposal that will have to be adopted by Congress.
* A federal judge ruled that Education Secretary Betsy DeVos cannot deny federal COVID-19 relief to undocumented community college students in California. The judge also said that she was likely to rule in favor of California on their claim that DeVos illegally added restrictions to funding under the CARES Act.
* The Administration is reportedly readying an infrastructure proposal of its own, which has a price tag of nearly $1T.
	+ During yesterday’s Senate Commerce, Science, and Transportation Committee’s nominations hearing, Joel Szabat, who has been nominated to permanently fill his role as Undersecretary for Policy, said the Administration’s plan will be out soon.
* The FAA will hold a virtual Drone Advisory Committee (DAC) meeting from noon to 3 p.m. EDT on Friday, June 19. The agency will livestream the meeting on its social media platforms.
	+ The DAC will continue a public conversation about how to collaborate on important issues like Remote Identification, technical challenges, security, recreational operations and waivers. The committee is a broad-based, long-term federal advisory committee that provides the FAA with advice on key drone integration issues by helping to identify challenges and prioritize improvements
* The FAA announced that the first part of the FAA Unmanned Aircraft Systems (UAS) Symposium will occur on July 8-9. The symposium will be virtual due to COVID-19. The key topics will include airspace integration, unmanned traffic management (UTM) and certification procedures. To register for the event, click [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2ffaauas.auvsi.net%2fhome&c=E,1,RoMVqZNBO_63B087L6YBTdf1frpRbKtMKYr9Y9E76FtPmBmRYcx1wo-1ilv19cIrc52n3lnrUh-y3mg7r8fa8fgyNJVe86sQSDHUPeMNCdU2oJ0OXs6iLA,,&typo=1" \t "_blank).
* Federal Register Notices:
	+ The Department of Education issued an interim final rule on the eligibility of students at higher education institutions to receive funds under the CARES act. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f17%2f2020-12965%2feligibility-of-students-at-institutions-of-higher-education-for-funds-under-the-coronavirus-aid&c=E,1,0HF9xAxGg2CE3gNn5qQDEEJktkOrwU7FFYcexCNWjpRzaNGhn26gkzV1iw-DnNRo-LJiECi0-hTDXMeNk9QFnsNzrnwJ67EZASP_2c5cfRHScOnOo2HX4oWHycXx&typo=1" \t "_blank).
	+ The FCC issued a proposed rule and request for comment on adjustment factor values for the purpose of bidding for the 5G fund. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f17%2f2020-12845%2foffice-of-economics-and-analytics-and-wireline-competition-bureau-seek-comment-on-adjustment-factor&c=E,1,ljcVVhWK_PUR798zFxK3zzYQusr5jk3knbMSiXEKWaJhIGlcSKdFxs6ga5W7x6l1MxLcPWlh5oPjYYXUmG3tRW50FP3thQ1ucpcbD4SXXQzm&typo=1" \t "_blank).
	+ The United States Patent and Trademark Office issued a notice and request for nominations for the Patent and Trademark Advisory Committee. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f06%2f17%2f2020-13043%2fpatent-and-trademark-public-advisory-committees&c=E,1,XB4QRhSC98D9tE2KQOq-jz4mDaSo1MTtsftsRPIhWcLGJIUy0wOBC0BQ1LfdkPb64QGU3TCxgGoMvjB-7Mmq6mtNDn4Ynltl4-t2_44Ct4g,&typo=1" \t "_blank).

**Other News**

* State officials in Arizona, Florida and Texas all reported their largest one-day increases in new COVID-19 cases yet. Florida reported 2,783 new cases, Texas 2,622, and Arizona 2,392.
* The U.S. Travel Association is holding a virtual fly-in this week. U.S. Travel’s member executives will meet virtually with Sens. Roy Blunt (R-MO), Gary Peters (D-MI), Jacky Rosen (D-NV), Rick Scott (R-FL), Chuck Grassley (R-IA) and Catherine Cortez Masto (D-NV).
	+ Among their advocacy priorities are extending the PPP to destination-marketing organizations (DMOs), passing travel-related tax breaks, and including liability protections that make it harder for those sickened by COVID-19 to sue businesses in the next relief bill.
* According to a new poll, conducted by Politico and Morning Consult, 69% of respondents who identified as Trump voters supported protecting recipients under the Deferred Action for Childhood Arrivals (DACA) program, also known as Dreamers. The results come as the Supreme Court is set to issue a ruling on the constitutionality of the DACA program this week. It is expected that the court will allow the Administration to discontinue the program.
* Everett Kelly, President of the American Federation of Government Employees, shared that he does not believe Transportation Security Administration (TSA) employees are equipped to handle temperature checks at airports.
* New Jersey Governor Phil Murphy announced that New Jersey plans to develop the first purpose-built wind port on the East Coast. The project is estimated to cost up to $400M. The wind port is part of New Jersey’s commitment to developing 7,500 megawatts of offshore wind by 2035. Construction is expected to begin in 2021.
* The United Mine Workers of America International Union and the United Steelworkers Union [filed a lawsuit](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fumwa.org%2fwp-content%2fuploads%2f2020%2f06%2fMurphy.pet_.FINAL_.pdf&c=E,1,GManpDuqkpZyd0uyM8jOyMi0-Oaw1eqrGr-kLLgWNsVXyNiYvCUxeXvpeN4upICJE9izDyGHX_nxjoAYRXSfZ8gQ0RH04jNUB9MCMN5pJfV9nsE,&typo=1" \t "_blank) on Tuesday in an attempt to force the Mine Safety and Health Administration to issue an emergency standard to help protect mine workers from COVID-19.
* A [report](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fenergyinnovation.org%2fwp-content%2fuploads%2f2020%2f06%2fClean-Trucks-Big-Bucks_June_17_2020.pdf&c=E,1,NlDUZCO9IwzAwLudg3FT2CfhsXMSCcOfIKT1xHmML5rxhYpSi2CldpTP2bBOa3DfxU79nX1N59eAoQAUn2xvYaO4o5EzLN9XCQQqG49oYhYdEzru_AzLuB7J34tu8Q,,&typo=1" \t "_blank) from Energy Innovation and the Environmental Defense Fund quantified the value of California’s new advanced clean trucks rule, which requires 60% of new medium- and heavy-duty trucks sold in California to be zero emission vehicles by 2035. The report said that this will cause between $7B and $12B in economic savings and a reduction in CO2 emissions by more than 17M metric tons.
* A [report](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.imd.org%2fwcc%2fworld-competitiveness-center-rankings%2fworld-competitiveness-ranking-2020%2f&c=E,1,39pu-CG0cCJKJceXFoTj6mtvmZ3zT6FkoshAWyC-hmdIkbLLTZiRGC2BGPs8JaW4oWeAzXO0qfvWgVBAPBap4S3lT4yuI8hcA9kHWSyu0aDhKJEejIG-cA,,&typo=1" \t "_blank) from the IMD Business School’s World Economic Competitiveness Center said that the United States had dropped to the 10th most competitive nation in 2019, a 7-place fall from the last ranking. The report said that the U.S.-China trade war has diminished the competitiveness of both countries.
* The European Commission unveiled a proposal which will try to attack foreign subsidies in the European Market. The proposal laid out plans including imposing fines or bans on companies participating in public trading who are receiving subsidies.
* Google’s decision to block ZeroHedge from utilizing the Google Ad platform has increased calls from Republican lawmakers to roll back protections to websites and social media companies under Section 230.
	+ Rep. Jim Jordan (R-OH), the top Republican on the House Judiciary Committee, has joined a chorus of Republican lawmakers accusing tech companies of conservative bias.
	+ FCC Commissioner Brendan Carr said that Google’s actions make one of the strongest arguments yet for Section 230 reform.
* More than 100 civil rights and civil liberties groups have written a letter to House leaders calling on them to stop federal funding for surveillance technologies. The letter can be found [here](https://ustoa.com/r/ustoa-filemanager/source/resources/surveillance-tech-letter.pdf).
* General Motors (GM) Chairwoman Mary Berra said that the company is making progress with their self-driving car subsidiary, Cruise, but that she still does not have a deployment date available. Additionally, she said GM is planning on selling 1M electric vehicles by the middle of the decade.
* Austria approved another round of tax cuts to help their economy recover from the COVID-19 pandemic. The country also committed 50B euros to stimulus measures and cut the lowest income tax bracket from 25% to 20%.
	+ Germany is also expected to give final approval at the end of this month to a 130B euro stimulus package that will cut their tax rate from 19% to 16% for six months.
* The European Union laid out its vision for a renewed trade policy yesterday, which centered around the goals of achieving a “swift and sustainable” recovery from the current pandemic and adopting more assertive uses of trade remedy measures to protect European Union business and consumers alike.