October 20, 2020

Below is our COVID-19 Update for October 20, 2020:

**The Senate is in session. The House is in recess.**

**COVID-19 Relief**

* Today is House Speaker Nancy Pelosi’s (D-CA) deadline for COVID-19 relief negotiations. However, Speaker Pelosi indicated that conversations will continue, and a bill must be written by the end of this week to be considered before the election.
  + In today’s phone call with Treasury Secretary Steven Mnuchin, Speaker Pelosi indicated that she anticipated resolving the testing and tracing language and countering the Republican proposal on OSHA and liability overhaul.
  + Speaker Pelosi commented that she still sees a path to broader agreement.
* Even if Speaker Pelosi and Secretary Mnuchin are able to reach an agreement before the election, Senator McConnell has indicated he would not want to consider a broader package before the election. Senate Republican Whip John Thune (R-SD) said that it would be hard to get even 13 votes for a relief bill in the $2T range from Senate Republicans at the moment.
  + Senate Appropriations Chair Richard Shelby (R-AL) said that Appropriations staff lacks any particulars to work on and expressed his skepticism of action being taken before the election.
* The Senate is considering the Continuing Paycheck Protection Program (PPP) Act, which would provide $257.6B to support PPP and PPP Second Draw Loans this evening.
  + PPP Second Draw loans are available for small businesses that meet the applicable Small Business Administration revenue size standard, have no more than 300 employees, and demonstrate at least a 35% reduction in gross revenues between comparison quarters in 2019 and 2020.
* The rest of the Senate Republican’s targeted relief is expected to be considered tomorrow, but it is not expected to pass a procedural hurdle.
* Additionally, the Federal Reserve has $259B remaining that has not been committed to any specific programs of the $454B allotted to support emergency lending programs under the CARES Act in March.

**Congress**

**Senate**

* The Senate Judiciary Committee postponed its vote on whether to authorize subpoenas for Twitter CEO Jack Dorsey and Facebook CEO Mark Zuckerberg to Thursday. During Thursday’s session, which will also include the vote on Amy Coney Barrett’s nomination to the Supreme Court and consideration of Chairman Lindsey Graham’s (R-SC) Online Content Policy Modernization Act (S. 4632), the Committee will first consider a motion to compel the CEOs’ testimonies.
  + As a reminder, the Senate Commerce Committee recently voted to authorize subpoenas to compel testimony from the Twitter, Facebook, and Google chiefs, but the companies later agreed to testify virtually. That hearing will occur on October 28.
* Leader McConnell announced that the Senate will vote on the nomination of Judge Amy Coney Barrett to fill the vacancy on the Supreme Court on Monday, October 26.

**House**

* House Oversight Select Subcommittee on the Coronavirus Crisis Chair Jim Clyburn (D-SC) wrote a [letter](https://coronavirus.house.gov/sites/democrats.coronavirus.house.gov/files/2020-10-19.Clyburn%20to%20Dietrich%20re%20Cargo%20Carrier%20Letter%20Atlas%20Air%20FINAL.pdf?source=email) urging four cargo airlines to return the more than $600M they claimed in Payroll Support Program (PSP) funds, citing their recent financial success. Rep. Clyburn called on the carriers to return the funds or prove that they actually need the money to keep employees on payroll.
  + The cargo carriers addressed were Atlas Air, Kalitta Air, Western Global Airlines, and Amerijet International.
* House Democrats [unveiled](https://grijalva.house.gov/press-releases/chairs-grijalva-castor-introduce-landmark-oceans-solutions-bill-to-tackle-climate-crisis/) the Ocean-Based Climate Solutions Act, which is aimed at promoting offshore renewable energy and protecting blue carbon, while also expanding marine protected areas and improving ocean health. The bill, sponsored by House Natural Resources Chair Raul Grijalva (D-AZ), would:
  + Set a national goal for offshore wind energy production of 12.5 gigawatts by 2025 and 25 gigawatts by 2030.
  + Increase funding for research and development and for the protection of wildlife.
  + Prohibit new oil and gas leasing in all areas of the Outer Continental Shelf and require shipping vessels to report CO2 emissions annually.
  + Lean into the carbon storage potential provided by "blue carbon" ecosystems that can absorb carbon dioxide out of the atmosphere.
  + Set a goal to protect at least 30% of the ocean by 2030.
  + Make algal blooms eligible for federal disaster relief and emergency assistance.
  + Allow for the creation of an Advanced Research Projects Agency-Oceans.
  + Call on the Interior Secretary to undertake restoration of coastal wetlands on department lands in order to halt greenhouse gas emission and sequester carbon.
* House Energy and Commerce Committee Republicans sent a [letter](https://republicans-energycommerce.house.gov/wp-content/uploads/2020/10/10.20.20-Letter-to-Chairman-Pallone-on-Social-Media-Censorship.pdf) to Chairman Frank Pallone (D-NJ) demanding a hearing on social media censorship with the CEOs of Twitter, Facebook, and Google.
  + According to a [press release](https://republicans-energycommerce.house.gov/news/press-release/ec-republicans-demand-hearing-with-big-tech-on-censorship-policies-section-230/), the Republicans want to address how these tech companies selectively and inconsistently censor content during a major election cycle, resembling publishers rather than neutral public forums.

**Administration**

* The Department of Justice (DOJ) and 11 states filed their antitrust [lawsuit](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.documentcloud.org%2fdocuments%2f7273447-Google.html&c=E,1,Non36EHSi90h8VLSK3lC2fJuTrdE0n45YaXVdB7Aqr_MwSc2VJyVR9ltVXIfrwphvKzTYemcMCUPsIjkzxVw8jKUfehDIRtsZntLIE3RD_n6LIM,&typo=1) against Google, accusing the company of using anticompetitive tactics to illegally monopolize the online search and search advertising markets. The suit argues that Google has unfairly dominated the search market by locking in its search engine as the default in browsers and on mobile devices including Apple iPhones and phones that run Google's own Android operating system.
  + DOJ is asking the court to rule that Google's conduct is illegal, stop it from engaging in it again, and bring "structural relief as needed to cure any anticompetitive harm."
  + This could possibly force Google to split off its search and/or advertising businesses.
  + Google responded in a [blog post](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fblog.google%2foutreach-initiatives%2fpublic-policy%2fresponse-doj%2f&c=E,1,2VOLqRtXox8T7rmTrIOJX-_BISfrABgzfu9fd9AmCLFW6zToAjNaw8jJJ34AbORTLU62DycsSI3PS4eqS3JXtYg0mMrF_sR1PjJ6xd-aSw,,&typo=1) arguing that this lawsuit would not help consumers but rather would “artificially prop up lower-quality search alternatives, raise phone prices, and make it harder for people to get the search services they want to use.”
* Trade talks between the U.S. and United Kingdom (U.K.) are continuing in order to reach a bilateral trade agreement. This round of talks will discuss goods and services market access.
  + Many aspects of the deal are in advanced stages of negotiations and a significant amount of the foundational text has been established, as the U.K. hopes to get the deal as finished as possible to be quickly approved in the next Administration.
  + One obstacle to a trade deal that remains is the 25% tariffs that the U.S. has imposed on British goods as part of the Airbus-Boeing dispute.
* The Export-Import Bank’s (EXIM) new Subcommittee on Strategic Competition with the People’s Republic of China held its first meeting on Friday, after being established last month. The Subcommittee is led by former Undersecretary of State for Global Affairs Paula Dobriansky, who served during George W. Bush’s presidency.
  + The meeting was followed by an [op-ed](https://www.foxbusiness.com/economy/export-import-bank-reed-nsa-obrien-china-economics-jobs) by EXIM chief Kimberly Reed and national security adviser Robert O’Brian on combatting China’s predatory practices.
* The Centers for Disease Control and Prevention (CDC) issued [guidance](https://www.cdc.gov/quarantine/masks/mask-travel-guidance.html) strongly recommending, but not requiring, that passengers and crew wear masks on board planes, trains, buses, and other public transportation vehicles.
* The Transportation Security Administration (TSA) [recorded](https://www.tsa.gov/news/press/releases/2020/10/19/tsa-screens-over-1m-passengers-single-day-first-time-march) that more than 1M people flew in the U.S. on Sunday, the first time that number has been reached since the beginning of the COVID-19 pandemic.
  + Overall, passenger numbers have returned to about 40% of normal levels.
* The Department of Energy signed an agreement with Poland to cooperate on a Polish civil nuclear program that could help build as many as six reactors. Energy Secretary Dan Brouillette said Poland expects to spend $40B, including purchases of $18B worth of nuclear technology from U.S. companies. The nuclear program is seen as an effort to wane the country off reliance on coal.
* The Department of Defense’s (DOD) deadline for comments on its proposed 5G networks was yesterday. The DOD received objections from [AT&T](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.attpublicpolicy.com%2fwireless%2fgambling-with-our-5g-future%2f&c=E,1,Ny7TGnlFRdYf7K1yGYQxqpGozyKwS6FHqs9tmn-rxws2B9v0PVwNOVMPI9wsERWTtUX2EjfGdpBnnJPjQRyat2asolbFnzFdu5UmHHfXJRf2&typo=1), [CTIA](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.ctia.org%2fnews%2fblog-winning-5g&c=E,1,-65BrlpK9v6Zad19dT52kGpJ3J3xahxWS4gVYGl2MKhZu9bMV9W9w9sCfoyrsbrbpx1WX_wEpEjX5fHUR2eIvgjJ7XBOD43MBK6ftOApPNt-Or4,&typo=1), [USTelecom](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.ustelecom.org%2fwp-content%2fuploads%2f2020%2f10%2fUSTelecom-Letter-DOD-5G-RFI-Comments-10.19.20.pdf&c=E,1,2fmRIwQTjibUhGo8UzCjdQ4BDMV5g7IpymxYQHKgo5NkYpC2bz4ku9zjFgTXQtKoF6qJj8k2xAdu8Y2Ycmev0-veeIkvKEAga0666p4d2XB4m1wZ&typo=1), and the [Chamber of Commerce](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2famericaninnovators.com%2fresearch%2fu-s-chamber-comments-on-a-nationalized-5g-network%2f&c=E,1,KCflf1-m-AvuXScueyfQcrLW1YngXfGuhZeusbCnZouBAcQtT8xErTgHY3O1wlaSgFkMUrEKhQLkfyDkYCiKn-i48bx1OFaeTOehGMLscA,,&typo=1).
  + Wireless firm Rivada Networks proposed an alternate approach for DOD to alter the 5G marketplace not by owning and operating its own 5G network but instead by doling out 5G spectrum to a third-party wholesaler like Rivada.
  + The Federal Communications Commission (FCC) would have to approve any provider using DOD airwaves for commercial use. Current FCC Commissioner Mike O’Rielly has been opposed to the DOD’s possible national 5G wholesale network, though his term expires at the end of the year.

**Federal Register Notices**

* The Federal Aviation Administration (FAA) withdrew a notice of proposed rulemaking (NPRM) that proposed to adopt a new airworthiness directive (AD) that would have applied to all Boeing Model 747-400, 747-400F, 747-8F, and 747-8 series airplanes. The FAA determined that the installation of new software, as proposed in the NPRM, does not resolve the unsafe condition identified in the NPRM. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f10%2f20%2f2020-23166%2fairworthiness-directives-the-boeing-company-airplanes&c=E,1,oW2l34VlKF34fI1WymcU4P5VqqyVK_miEBPH64e7I8KpETF0Zy_NPFsVuEQ1Fg2JFMmgf1wRu12P6BnfUNN3XupS2dkcJJ-pn8ELcl0bw5YsnA,,&typo=1).