October 21, 2020

Below is our COVID-19 Update for October 21, 2020:

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

**COVID-19 Relief**

* While House Speaker Nancy Pelosi’s (D-CA) negotiation deadline was yesterday, conversations between Speaker Pelosi and Treasury Secretary Mnuchin continue.
  + Speaker Pelosi indicated that passage of an agreement could slip beyond the election, something that was largely already expected. However, Speaker Pelosi maintains that progress is being made.
* In a new Dear Colleague [letter](https://www.speaker.gov/newsroom/102020-0), Speaker Pelosi indicated that Committee chairs had been tasked with resolving some differences. It is unclear, however, what topline issues Speaker Pelosi and Secretary Mnuchin have agreed on, making committee work difficult.
* Senate Democrats blocked yesterday’s attempt to advance additional funds for the Paycheck Protection Program and today’s effort to pass a “skinny” package as negotiations on a broader package continue.
* As we have reported, Senate Majority Leader Mitch McConnell (R-KY) indicated he would not consider legislation that does not have support from the majority of Senate Republicans.

**Congress**

**Senate**

* Senate Judiciary Committee Democrats are expected to boycott the vote on advancing Judge Amy Coney Barrett’s nomination to fill the vacancy on the Supreme Court tomorrow. The Judiciary Committee also is expected tomorrow to authorize subpoenas to compel the testimony of the CEOs of Facebook and Twitter.
  + The Committee has said that scheduling a vote on the subpoenas will only occur if they fail to reach a deal for voluntary testimony with the companies.
  + Sen. Josh Hawley (R-MO) has repeatedly expressed his desire for the Judiciary Committee to vote on the subpoenas.
* Senate Commerce Committee held a hearing on [“Passenger and Freight Rail: The Current Status of the Rail Network and the Track Ahead.”](https://ustoa.com/r/ustoa-filemanager/source/resources/2020-10-21-senate-commerce-rail-hearing.pdf)The hearing discussed the impact of COVID-19 on passenger and freight rail service, specifically addressing Amtrak’s service cuts and furloughs. All Committee members expressed their desire for Amtrak to resume long distance service seven days a week, while Democrats advocated for Congressional legislation to increase Amtrak funding. The witnesses included:
  + Mr. William Flynn, President and Chief Executive Officer, Amtrak
  + Mr. Paul Tuss, Executive Director, Bear Paw Developing Corporation and Member, Montana Economic Developers Association
  + Mr. Frank Chirumbole, Vice President Global Supply Chain, Olin Corporation on behalf of American Chemistry Council
  + Mr. Randy Gordon, President and Chief Executive Officer, National Grain and Feed Association
  + Mr. Kent Fountain, Chairman, National Cotton Council
  + Mr. Ian Jefferies, President and Chief Executive Officer, Association of American Railroads
  + Mr. Dennis Pierce, President, Teamsters Rail Conference
* Sen. Jeff Merkley (D-OR) introduced the Zero-Emissions Vehicles Act ([S. 4823](https://www.congress.gov/bill/116th-congress/senate-bill/4823?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=30)) to create jobs, improve health, and address climate change by ending American sales of new gasoline-powered vehicles in 15 years.
  + According to a [press release](https://www.merkley.senate.gov/news/press-releases/senator-merkley-congressman-levin-introduce-legislation-to-end-us-sale-of-gasoline-powered-vehicles-by-2035-2020), the bill would set a federal zero-emissions vehicle (ZEV) standard, requiring that 50% of new passenger vehicles sales are ZEVs by 2025. That figure would increase 5% each year to reach 100% by 2035.
  + The House companion bill ([H.R. 8635](https://www.congress.gov/bill/116th-congress/house-bill/8635?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=16)) was introduced by Rep. Mike Levin (D-CA).
* Sens. Marco Rubio (R-FL), Jim Risch (R-ID), Susan Collins (R-ME), and Josh Hawley (R-MO) introduced the Small Business Access to Recovery Capital Act ([S. 4817](https://www.congress.gov/bill/116th-congress/senate-bill/4817?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=36)) to provide expanded relief measures to the 7(a) loan program for one year to help small businesses cope with challenges posed by COVID-19. According to a [press release](https://www.rubio.senate.gov/public/index.cfm/press-releases?ID=FDCDDC71-1B2B-4955-A93A-0D188FA9297E), the bill would:
  + Waive borrower and lender fees.
  + Increase the government guarantee to 95%.
  + Increase the maximum loan value from $5M to $10M.
  + Waive debt repayment of principal, interest, and fees for any new loans made under the 7(a) program for one year.
* Senate Committee on Small Business and Entrepreneurship Ranking Member Ben Cardin (D-MD) and 33 other Senate Democrats introduced the HEROES Small Business Lifeline Act ([S. 4818](https://www.congress.gov/bill/116th-congress/senate-bill/4818?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=35)) to provide over $370B of support to small businesses. According to a [press release](https://www.cardin.senate.gov/newsroom/press/release/cardin-shaheen-schumer-coons-and-colleagues-introduce-covid-19-relief-bill-to-support-small-businesses-), the bill is nearly identical to the small business provisions of HEROES 2.0, which passed the House on October 1.

**House**

* House Armed Services Committee Chair Adam Smith (D-WA) indicated that the leaders of the Armed Services Committees in the House and Senate may hold their first conference meeting next week to begin resolving differences on the National Defense Authorization Act (NDAA). Rep. Smith also reiterated the goal of completing consideration of the NDAA by early December.
* House Transportation Subcommittee on Railroads Ranking Member Rick Crawford (R-AR) led a [letter](https://republicans-transportation.house.gov/uploadedfiles/10-20-20_amtrak_letter.pdf) to Amtrak expressing his concern that Joe Biden’s use of Amtrak for campaign purposes may not be the best use of the railroad’s limited resources due to COVID-19.
  + The letter asked Amtrak to respond with how much it cost to service Biden’s campaign trip to Ohio and Pennsylvania this month, how much the campaign paid, and whether the charter disrupted or delayed any other Amtrak service or freight trains.
* House Republican Leader Kevin McCarthy (R-CA) and members of the China Task Force released the China Task Force (CTF) Act ([H.R. 12](https://www.congress.gov/bill/116th-congress/house-bill/12?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=26)) to enact a comprehensive legislative response to the threats posed by the China to the U.S. and to “freedom, democracy, and human rights around the world.” A statement on the bill can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.republicanleader.gov%2fmccarthy-china-task-force-members-introduce-the-china-task-force-act%2f&c=E,1,GJMBAs3XvBEDMdaRq2R1gObloElP1fJM7iISlsj-wvvidPjICHQwwKH99E5UXsVoxDBgH1ADhDHMkD1z5HGOeSdtvYDk9bagaqO1OWlI66n7&typo=1).
* Rep. Nanette Diaz Barragán (D-CA) and 22 other House Democrats introduced the Energy Resilient Communities Act ([H.R. 8626](https://www.congress.gov/bill/116th-congress/house-bill/8626?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=25)) to create the first federal program to build 100% clean energy microgrids to power critical infrastructure for communities in the aftermath of an extreme weather event or power shut-off.
  + As stated in a [press release](https://barragan.house.gov/barragan-clarke-bill-would-protect-critical-facilities-during-power-outages-and-fight-the-climate-crisis/), the bill would prioritize energy equity and environmental justice by putting grant applications from low-income communities and communities of color at the front of the line for clean energy microgrid grants that will help combat power outages and rolling blackouts, reduce pollution, create green jobs, and fight the climate crisis.
* Reps. Gerry Connolly (D-VA), Donald Beyer (D-VA), Jennifer Wexton (D-VA), Jamie Raskin (D-MD), and Jim Costa (D-CA) introduced the Preventing Employees from Surprise Taxes Act ([H.R. 8629](https://www.congress.gov/bill/116th-congress/house-bill/8629?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=22)) to make the payroll tax deferral outlined by President Trump optional for any worker whose employer chooses to participate.
  + According to a [press release](https://connolly.house.gov/news/documentsingle.aspx?DocumentID=4103), the bill would apply to federal employees and service members.
* Reps. Tom Malinowski (D-NJ) and Anna Eshoo (D-CA) introduced the Protecting Americans from Dangerous Algorithms Act ([H.R. 8636](https://www.congress.gov/bill/116th-congress/house-bill/8636?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=15)) to hold large social media platforms accountable for their algorithmic amplification of harmful, radicalizing content that leads to offline violence.
  + As stated in a [press release](https://malinowski.house.gov/media/press-releases/reps-malinowski-and-eshoo-introduce-bill-hold-tech-platforms-liable-algorithmic), the bill would amend Section 230 to remove liability immunity for a platform if its algorithm is used to amplify or recommend content directly relevant to a case involving interference with civil rights, neglect to prevent interference with civil rights, and in cases involving acts of international terrorism. The bill only applies to platform companies with 50M or more users.
* Rep. Roger Williams (R-TX) introduced the Eliminate the Digital Divide Act ([H.R. 8650](https://www.congress.gov/bill/116th-congress/house-bill/8650?q=%7B%22search%22%3A%5B%22congressId%3A116+AND+billStatus%3A%5C%22Introduced%5C%22%22%5D%7D&s=1&r=1)) to empower states to carry out their own broadband programs and ensure low-income individuals have access to low-cost broadband services.
  + According to a [press release](https://williams.house.gov/media-center/press-releases/rep-williams-fights-for-rural-texas-communities-in-need-of-broadband), the bill would create a $10B State Broadband Program where governors receive funds based on the number of unserved individuals in their state and then partner with broadband service providers to build out networks.

**Administration**

* The Department of Treasury said that it does not see the need to keep the Federal Reserve’s emergency lending program for state and local governments, also known as the Municipal Liquidity Facility, operating past the end of the year, based on market stability and issuer market access.
  + States and localities continue to face significant revenue deficits and 2021 is expected to be worse than 2020 as employment numbers may not immediately rebound.
  + As a reminder, the Municipal Lending Facility is set to expire on December 31.
* Despite the completed mini trade deal between the U.S. and Brazil, U.S. Trade Representative Robert Lighthizer ruled out talks on a free trade agreement due to strong Democratic opposition to beginning talks while Jair Bolsonaro is president. The U.S. most likely will have to take an incremental approach in negotiating with Brazil.
* U.S. and Brazilian officials signed a new [memorandum of understanding](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.exim.gov%2fnews%2fexim-signs-1-billion-memorandum-understanding-brazil-ministry-economy-ceremony-president&c=E,1,uGoTvKo3TfNCPp3NZb6xMz9qTmE6_v2sYzwhJTuicpHz9cxzj4Qif9FFl5Bu9hOkZr0wzU5ILPHvdHBBxjPerpVX0Pk0sfmTEXDujwx20KbxcA,,&typo=1) that allows an additional $1B in U.S. Export-Import Bank financing for telecommunications and 5G equipment.
* The Chamber of Commerce, National Association of Manufacturers, and National Retail Federation are among the plaintiffs that filed a lawsuit against the Administration over new rules governing the H-1B visa program.
  + The suit argues that the new rules fundamentally disrupt high-skilled immigration by affecting workers who already have H-1B, H-1B1, and E-3 visas, which are frequently used by the technology industry to temporarily employ foreign workers with advanced degrees.
* The Office of Management and Budget (OMB) is planning to cut off the flow of federal funding to cities labeled as “anarchist” by the Administration. OMB will restrict grant eligibility for these cities and is considering the possibility that cities could lose their existing funds if they fail to quell protests over police brutality and systemic racism.

**Other News**

* The Internet Association launched a [Racial Justice State Legislation Tracker](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2ftaskforce.app%2fracial-justice-state-legislative-tracker%2f&c=E,1,XXKrtoaHhSNL1G5qcXPM1hMCpq-vi9JQREMm5dUzahq88wL1JaV9fL_OofgIwNLTHyTV-7nEXIyjNPsjyor-mBMT9y0akxd7cbnKW6etgNLecdwg&typo=1) to help member companies, criminal justice reform advocates, and civil rights organizations monitor and mobilize around related legislation across the country.
  + This tool is part of the Internet Association’s effort to push Congress to reform accountability and transparency in policing, demilitarize law enforcement, and invest in alternatives to incarceration.
* The World Economic Forum released a [study](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.weforum.org%2freports%2fthe-future-of-jobs-report-2020&c=E,1,DYiI4ZFieaIeMa_LS3x9g95hqdtUZvPBVHMGEsoT98lJRBzgCMyKoIrfXDWYlX8LzUc1fQ0qWcMpli0WLRyK6szrxiyxPCbfMXjE7V6ouFxR44bJK2IPzqjUCbY,&typo=1) on automation in the workplace, which found that robots will create more jobs than they replace from 2020 to 2025. The new jobs will include data scientists, engineers, and machine learning specialists with a focus on artificial intelligence, cloud computing, and content creation.
  + According to the [key findings](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.weforum.org%2freports%2fthe-future-of-jobs-report-2020%2fdigest&c=E,1,QwazNlaizwBpbtR9B7K6lcX-xhNdnWCy4ckTDTD6s-7f62jLgIMOs9R9o8d3r1xsA2RQa9soT9uAMlRsmvVOpkW3Snjf_DAtRfV_y9ovHfeO7PNocg,,&typo=1) in the report, robots will create 97M jobs and replace 85M. It is likely that competitive companies will look to reskill current employees rather than hiring new ones.
* Amtrak released a map of its intended expansion by 2035, which it says will cost $25B. This map includes dozens of potential corridor additions and extensions. The map was part of a broader [presentation](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.railpassengers.org%2fsite%2fassets%2ffiles%2f16610%2fseptember_23_-_new_corridors.pdf&c=E,1,QCjftVJJ-Hdk4To1I_zn1gbkIERtZh_-b2noCmD8Eg6JqE1ZSHFjaqanFSFxX051dg5Ielq6SoLCpZ6vLONO5JBrOJ3j3cCTMD3tngk876ZO&typo=1) on investment needs for system and service expansion.
* Moody’s Investor Service released a report which found that thermal coal will likely continue to decline regardless of who wins the presidential election, though the trend would likely accelerate under a Biden administration. This decline is due to persistently low natural gas prices, increasing emphasis on renewable energy, and long-term regulatory uncertainty. The report is [here](https://ustoa.com/r/ustoa-filemanager/source/resources/moodys-coal-report.pdf).
* General Motors (GM) announced that its assembly plant in Spring Hill, Tennessee will transition to producing electric vehicles, making it GM’s third electric vehicle manufacturing site. GM also confirmed investments in five Michigan plants for future electric vehicle production.
  + The six U.S. facility investments total more than $2B.
* London Heathrow Airport announced that it will start pre-travel testing on-site, as more and more airports are starting to open on-site COVID-19 testing in Europe. However, on-site testing regimes may not be able to handle higher volumes of travelers if governments loosen travel restrictions and more people begin to fly.
  + Preflight testing will be implemented in French airports by the end of the month. The testing center at Brussels Zaventem airport has been operational for the last month and has been used by over 7,000 passengers.
* The Government Finance Association released a [survey](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.gfoa.org%2fmaterials%2fcrf-the-prime-recipient&c=E,1,BqUwOAVO3Jv3tMG8dhHnkUhDkLjtvbI7ZWaHsmJ7I4SnYunGYOhNqyGlyEgSswG5yaQe6SGZ03M65VuPqiLDDw2YWG4mj2ld48mSCDNZCJkllpTf&typo=1) which found that three quarters of state and local governments’ biggest challenge in spending aid through the CARES Act has been the restrictions on uses for the money. The majority of state and local governments responded that their CARES Act funds have already been obligated for a specific purpose and 82% said they expect to exhaust the money by the December 30 deadline.
* European Union (EU) carmakers are pushing chief Brexit negotiator Michel Barnier to soften his negotiating stance on rules governing the trade in electric cars. The carmakers are specifically addressing rules on how much content in a finished car should be produced locally in either the United Kingdom (U.K.) or EU to allow tariff-free trade in finished vehicles.
  + British negotiators are seeking a rule that up to 70% of parts in electric cars could come from outside the U.K. and EU and still qualify for zero tariffs, the European Commission wants a limit of 45%, and carmakers are lobbying for a 50% threshold.
* A Boeing study found that COVID-19 can virtually be eliminated from airplane cabin surfaces by using at least one of four tools: chemical disinfectants, an ultraviolet wand, an electrostatic sprayer, or antimicrobial coatings.
  + The study, conducted in partnership with the University of Arizona, found that the tools killed 99.9% or more of the live virus tested.

**Federal Register Notices**

* The Federal Communications Commission (FCC) requested comments on proposed rules to govern commercial wireless operations in the 3.45-3.55 GHz band that would add a new primary allocation for fixed and mobile, except aeronautical mobile, services and to adopt technical, licensing, and competitive bidding rules governing licenses in this band. Comments must be submitted by November 20. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f10%2f21%2f2020-22529%2ffacilitating-shared-use-in-the-3100-3550-mhz-band&c=E,1,MiO-BmyrCYwXihFGg83hPq0hYV8oJ3r5bNMLv-lpwD_dCGXuiJmB_Y82VrtyJZM9UINbtnFh5InrMB3hvU2TZZQpdQjKxQuVfdN7Wwq0--9y8zqOgfTf&typo=1).
* The Department of State proposed to amend its regulation governing B-1 nonimmigrant visas for temporary visitors for business. The amendment would no longer authorize issuance of B-1 visas for certain aliens classifiable as H-1B or H-3 nonimmigrants unless the alien independently qualifies for a B-1 visa for a reason other than the B-1 in lieu of H policy. Comments must be received by December 21. The notice can be found [here](https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.federalregister.gov%2fdocuments%2f2020%2f10%2f21%2f2020-21975%2fvisas-temporary-visitors-for-business-or-pleasure&c=E,1,1nH41wrVln7lCYbw6jk6HeKg47BPBm0CwKZfvc-5u_jda7X5NRM4U7zcwVn4LEq7xv3vq9FaR4gHJwvRNM-8wqMCxO4cgHKrsilqZ3yPB-kh7oXKXuhBb0f8eQ,,&typo=1).