

# BGR | GROUP

## CORONAVIRUS UPDATE

April 23, 2020

### **BREAKING: House Passes Interim Coronavirus Relief Bill**

The House this evening voted overwhelmingly to pass H.R.266, the legislative vehicle for Paycheck Protection Program/COVID Relief, a fourth bill providing relief to small businesses and hospitals. Only a handful of conservative Republicans and one Democrat voted against it. Rep. Justin Amash (I-MI) voted present. The representatives voted in nine staggered groups to adhere to social distancing guidelines and prevent overcrowding. Many of the lawmakers wore masks.

The \$484 billion deal refills the Small Business Administration's depleted Paycheck Protection Program by \$310 billion and includes some Democratic priorities such as coronavirus testing (\$25 billion) and hospital funding (\$75 billion). It heads to the desk of President Trump, who said he will sign it, most likely tonight.

Please see below for a summary of what is included in the bill for the Paycheck Protection Program as well as for the Department of Health and Human Services.

#### **Paycheck Protection Program Increase Act of 2020**

##### **Division A— Small Business Programs**

- **Section 101. Amendments to the Paycheck Protection Program (PPP), Economic Injury Disaster Loans (EIDL), and Emergency Grants**
  - Increases the authorization level for the PPP from \$349 billion to \$659 billion.
  - Increases the appropriation level for the PPP from \$349 billion to \$670.335 billion.
  - Increases the authorization level for the EIDL Grants from \$10 billion to \$20 billion.
  - Allows agricultural enterprises as defined by section 18(b) of the Small Business Act (15 U.S.C. 647(b)) with not more than 500 employees to receive EIDL grants and loans.
  - Creates a set-aside for Insured Depository Institutions, Credit Unions, and Community Financial Institutions for the PPP.
  - Defines Community Financial Institutions as minority depository institutions, certified development companies, microloan intermediaries, and State or Federal Credit Unions.
  - This section sets aside the following amounts for the PPP for:
    - \$30 billion for loans made by Insured Depository Institutions and Credit Unions that have assets between \$10 billion and \$50 billion; and
    - \$30 billion for loans made by Community Financial Institutions, Small Insured Depository Institutions, and Credit Unions with assets less than \$10 billion.
- **Section 102. Emergency Designation**
  - Designates the amounts provided as emergency spending for budgetary purposes.

##### **Title II. Independent Agencies**

- Small Business Administration
  - \$2.1 billion for the Salaries and Expenses account

# BGR | GROUP

## CORONAVIRUS UPDATE

- \$50 billion for the Disaster Loans Program Account
- \$10 billion for Emergency EIDL Grants

### Department of Health and Human Services (HHS) – \$100 billion

- \$75 billion for reimbursement to hospitals and healthcare providers to support the need for COVID-19 related expenses and lost revenue. Language remains the same as CARES Act. This funding is in addition to the \$100 billion provided in the CARES Act.
- \$25 billion for necessary expenses to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 tests. Specific funding is provided for:
  - \$11 billion for states, localities, territories, and tribes to develop, purchase, administer, process, and analyze COVID-19 tests, scale-up laboratory capacity, trace contacts, and support employer testing. Funds are also made available to employers for testing.
    - \$2 billion provided to States consistent with the Public Health Emergency Preparedness grant formula, ensuring every state receives funding.
    - \$4.25 billion provided to areas based on relative number of COVID-19 cases.
    - \$750 million provided to tribes, tribal organizations, and urban Indian health organizations in coordination with Indian Health Service.
  - \$1 billion provided to Centers for Disease Control and Prevention for surveillance, epidemiology, laboratory capacity expansion, contact tracing, public health data surveillance, and analytics infrastructure modernization.
  - \$1.8 billion provided to the National Institutes of Health to develop, validate, improve, and implement testing and associated technologies; to accelerate research, development, and implementation of point-of-care and other rapid testing; and for partnerships with governmental and non-governmental entities to research, develop, and implement the activities.
  - \$1 billion for the Biomedical Advanced Research and Development Authority for advanced research, development, manufacturing, production, and purchase of diagnostic, serologic, or other COVID-19 tests or related supplies.
  - \$22 million for the Food and Drug Administration to support activities associated with diagnostic, serological, antigen, and other tests, and related administrative activities.
  - \$825 million for Community Health Centers and rural health clinics.
  - Up to \$1 billion may be used to cover costs of testing for the uninsured.
- Includes \$6 million for HHS Office of Inspector General for oversight activities.
- Requires plan from States, localities, territories, and tribes on how resources will be used for testing and easing COVID-19 community mitigation policies.
- Requires strategic plan related to assisting States with testing and increasing testing capacity.

# BGR | GROUP

## CORONAVIRUS UPDATE

### Quick Headlines

#### *Administration*

- DHS official William Bryan detailed a report on the coronavirus that found increased temperature, humidity, and sunlight are detrimental to SARS-CoV-2 in saliva droplets on surfaces and in the air.
- FCC voted today on measures such as opening the 6 GHz airwaves for unlicensed uses like Wi-Fi.
- Education Secretary Betsy DeVos announced over \$13.2 billion in emergency funding to support K-12 students. She encouraged using the money for technology, distance learning, and planning.
- Treasury released guidance for state, local, and tribal governments regarding coronavirus relief.
- HHS distributed CARES Act funding for states and localities.
- HHS awarded coronavirus aid to rural hospitals and telehealth education centers.
- CMS issued guidance allowing independent freestanding emergency departments.
- CMS released a COVID-19 telehealth toolkit regarding telehealth in Medicaid and CHIP.
- The Department of Labor held a stakeholder briefing today on recent actions.
- The Federal Reserve is focused on lending programs, but monetary policy deliberations loom.
- White House trade adviser Peter Navarro said Trump will “move swiftly” to expand the use of DPA.
- USDA said SNAP benefits were up 40 percent.
- Trump said if the coronavirus does come back in the fall, “it will be coming back in smaller doses that we can contain.”
- The Defense Department instituted a tiered framework for coronavirus testing for its 3 million-person workforce. Priority will be placed on forces involved in strategic and nuclear operations.
- Treasury asked publicly traded companies to repay small business loans.
- VA medical facilities are struggling to cope with the coronavirus.
- The U.S. Chamber of Commerce urged the USTR to eliminate all medical tariffs immediately.

#### *Congress*

- The House voted overwhelmingly to pass H.R.266, the legislative vehicle for Paycheck Protection Program/COVID Relief, a fourth bill providing relief to small businesses and hospitals.
- The House voted to create a select subcommittee to provide oversight of the funds appropriated by Congress to address the coronavirus pandemic.
- House Judiciary Subcommittee on Antitrust Chairman David Cicilline (D-RI) called for a moratorium on mergers until the coronavirus pandemic ends.
- Sen. Ed Markey (D-MA) wrote to Vice President Mike Pence, outlining nine principles to ensure Bluetooth-based contact tracing used for the pandemic does not violate Americans’ civil liberties.
- Sen. Dick Durbin (D-IL) led 22 other senators in urging Treasury Secretary Steven Mnuchin to ensure that Americans unable to file their taxes electronically can still get their stimulus payments quickly.
- House Foreign Affairs Committee Democrats called on Trump to resume funding to the WHO.
- Energy and Commerce Committee leaders demanded a justification for halting WHO funding.
- Rep. Frank Pallone (D-NJ) urged an investigation into the reassignment of HHS official Rick Bright.

# BGR | GROUP

## CORONAVIRUS UPDATE

- Senate Majority Leader Mitch McConnell (R-KY) said state and local governments should be able to “use the bankruptcy route” rather than receive aid from the federal government.
- Sens. Kirsten Gillibrand (D-NY) and Michael Bennet (D-CO) introduced legislation to hire thousands for a new “Health Force.”
- Sen. Elizabeth Warren (D-MA) and Rep. Andy Levin (D-MI) introduced a plan to create a “containment corps” for coronavirus contact tracing.
- Reps. Earl Blumenauer (D-OR) and Ed Perlmutter (D-CO) introduced a bill to make legal cannabis businesses eligible for federal coronavirus relief aid meant for small businesses.

### *State and Local*

- 4.4 million Americans filed jobless claims last week, the fifth week of massive layoffs caused by the coronavirus pandemic.
- New Jersey neared 100,000 confirmed coronavirus cases on Thursday, but Gov. Phil Murphy said the spread of the disease is slowing.
- State AGs urged the FDA to transition to gender neutral screening for blood donations.
- States are beginning to outline their plans for resuming elective surgeries.
- As states grapple with reopening, Trump said part of Georgia’s reopening plan is “just too soon.”
- Governors of New Jersey and New York blasted Senate Majority Leader Mitch McConnell (R-KY) for pushing the bankruptcy route for states.
- One in five New York City residents were at one point infected with the coronavirus.
- Massachusetts officials said people are avoiding ER visits due to the coronavirus.
- St. James Parish in Louisiana is dealing with a “double whammy” of pollution- and coronavirus-related deaths.

### *International*

- Lebanon reported its first case of coronavirus in a refugee camp. Lebanon has over 20 deaths since its first infection in late February.
- Chile is lifting its quarantines on a rolling basis and plans to issue “immunity passes” next week.
- The Organization of Islamic Cooperation (OIC) called on its members to support states battling the coronavirus, especially those in Africa. OIC echoed the UN’s call for a global cease-fire.
- Peru’s president extended the national quarantine from April 26 to May 10.
- Germany is at odds with Apple on smartphone coronavirus contact tracing.
- The UK economy is crumbling under the strain of the coronavirus lockdown. However, its capacity for coronavirus testing is now over 50,000 per day.
- Banksy’s mural in Bristol, England, “Girl with a Pierced Eardrum,” gained a coronavirus face mask.
- In Italy, workers are dealing with new conditions in factories, like a traffic light for the bathroom.
- In France, school attendance will not be mandatory when classes resume.
- Russia’s government said there is currently no end date for the country’s lockdown.
- An Italian cruise ship docked in Japan has 48 cases of coronavirus.

# BGR | GROUP

## CORONAVIRUS UPDATE

- South Africa will begin easing lockdown restrictions, but security forces are on standby to reinforce current lockdown measures.

### *General*

- Two California consumers filed a suit on behalf of all residents in the state against Amazon for alleged price gouging by as much as 600 percent on some products.
- A new drug pricing coalition is launching a campaign on COVID-19 vaccine and treatment costs.
- The global economy has been hit by a record collapse of business activity.
- Drug makers are preparing their factories to make coronavirus treatments as soon as one is proven effective.
- Kroger will require its employees to wear masks starting this week.
- Lufthansa is seeking to finalize a 10-billion-euro rescue package next week.
- Dentistry is at a virtual standstill that could last into 2021.
- Elite colleges have backed away from coronavirus rescue cash after criticism of their endowments.
- Coronavirus school shutdowns are threatening to deepen the U.S. digital divide.
- The NFL draft has become a lifeline for sports betting and broadcasters.
- Family-owned farms and wineries are struggling to adapt during the shutdown.

# BGR | GROUP

## CORONAVIRUS UPDATE

### Trump Administration Updates

#### White House Coronavirus Task Force – Briefing

During today's White House Coronavirus Task Force [briefing](#), President Trump noted upcoming clinical trials of antibody testing, and he also discussed convalescent plasma donations. Vice President Mike Pence announced the Department of Housing and Urban Development is using the White House Opportunity and Revitalization Council to study the impact of the coronavirus on minority communities. HUD Secretary Ben Carson will convene the Council tomorrow and will report tomorrow afternoon on the Council's progress.

Pence noted they have another call with governors tomorrow on testing and state initiatives to expand testing. The task force discussed reopening the country, including their encouragement to states to restart elective surgeries on some level if possible. Pence noted sixteen states have released formal state reopening plans, and thirteen of those were released since the White House released its own "Guidelines for Opening Up America Again."

William Bryan, who leads the research, development, innovation, and testing and evaluation activities in support of the Department of Homeland Security's (DHS) operational components and first responders across the nation, detailed a new report on the coronavirus. He noted increased temperature, humidity, and sunlight are detrimental to SARS-CoV-2 in saliva droplets on surfaces and in the air. He noted best practices for Americans include to move activities outside as sunlight impedes virus transmission and to use commonly available disinfectants like bleach and isopropyl alcohol to kill the virus.

#### Treasury Releases Guidance for State, Local, and Tribal Governments Regarding the Coronavirus Relief Fund

Today, Secretary of the Treasury Steven Mnuchin released guidance for state, local, and tribal governments regarding the Coronavirus Relief Fund (Section 5001 of the CARES Act). As stated by the [legislation](#) signed by President Trump on March 27, the use of funds "are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19)." The guidance document ([here](#)) and frequently asked questions ([here](#)) provide, in detail, examples of eligible and ineligible expenditures of the \$150 billion Coronavirus Relief Fund. Additional information about assistance to state and local governments can be found [here](#). State, local, and tribal provisions within the \$2.2 trillion *Coronavirus Aid, Relief, and Economic Security (CARES) Act* include:

- \$150 billion in direct aid to state, tribal, and local governments. Aid will be allocated primarily by a state's population, with each state receiving at least \$1.25 billion.
- \$340 billion in additional emergency supplemental funding to combat the coronavirus outbreak.
- \$500 billion for loans and guarantees that authorize the U.S. Treasury to support eligible businesses and states and local governments to cover losses incurred as a result of COVID-19.
- \$100 billion for hospitals and healthcare facilities to reimburse expenses or lost revenues not otherwise reimbursed that are directly attributable to COVID-19.
- \$3.5 billion to allow states to expand childcare benefits for healthcare workers, first responders, and others on the frontlines of this crisis.

(Treasury 4/23)

# BGR | GROUP

## CORONAVIRUS UPDATE

### **HHS Distributes CARES Act Funding for States and Localities**

The Department of Health and Human Services (HHS) announced the Centers for Disease Control and Prevention (CDC) will provide additional resources to state and local jurisdictions to help with the response to COVID-19. The funds were provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. CDC is awarding \$631 million to 64 jurisdictions through the existing Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) cooperative agreement. These funds will help states with their efforts to re-open America. CDC will use existing networks to reach out to state and local jurisdictions to access this funding, which may be used for a variety of activities including establishing or enhancing the ability to aggressively identify cases, conduct contact tracing and follow up, and implement appropriate containment measures; improving morbidity and mortality surveillance; enhancing testing capacity; controlling COVID-19 in high-risk settings and protecting vulnerable or high-risk populations; and working with healthcare systems to manage and monitor system capacity. To view a list of the funding jurisdictions, including past COVID-19-related funding from CDC, click [here](#). (HHS 4/23)

### **HHS Awards Coronavirus Aid to Rural Hospitals and Telehealth Education Centers**

HHS is providing nearly \$162 million to small rural hospitals and telehealth education centers to prevent, diagnose, and treat COVID-19. The funding from the Health Resources and Services Administration (HRSA) will go to 1,779 rural hospitals and 14 telehealth resource centers. The Coronavirus Aid, Relief and Economic Security (CARES) Act provided HRSA \$150 million to go to the Small Rural Hospital Improvement Program and \$11.5 million for telehealth resource centers. Small rural hospitals will each get roughly \$84,000. For a list of the award recipients, click [here](#). (HHS 4/22)

### **CMS Issues Guidance Allowing Independent Freestanding Emergency Departments**

The Centers for Medicare & Medicaid Services (CMS) issued guidance allowing licensed, independent freestanding emergency departments (IFEDs) in Colorado, Delaware, Rhode Island, and Texas to temporarily provide care to Medicare and Medicaid patients to address any surge resulting from COVID-19. This action by the Trump Administration increases hospital capacity to ensure these states can quickly and effectively care for their most vulnerable citizens. Current law does not recognize IFEDs as a certified Medicare provider, meaning they cannot bill Medicare and Medicaid for services. However, during this public health emergency, these entities can be temporarily certified as a hospital to increase healthcare system capacity as part of each state's pandemic plan. The press release is available [here](#). (CMS 4/21)

### **CMS Releases COVID-19 Telehealth Toolkit to Accelerate the Use of Telehealth in Medicaid and CHIP**

CMS released a new toolkit for states to help accelerate adoption of broader telehealth coverage policies in Medicaid and the Children's Health Insurance Program (CHIP) during the COVID-19 pandemic. The toolkit provides states with issues to consider as they evaluate the need to expand their telehealth capabilities and coverage policies, including patient populations eligible for telehealth; coverage and reimbursement policies; providers and practitioners eligible to provide telehealth; technology requirements; and pediatric considerations. It also includes a compilation of frequently asked questions (FAQs) and other resources available to states. The toolkit is available [here](#). (CMS 4/23)



# BGR | GROUP

## CORONAVIRUS UPDATE

### Department of Labor Holds Stakeholder Briefing on Recent Actions

Labor Secretary Eugene Scalia held a stakeholder briefing today to discuss recent developments. He noted the rapid job growth seen in the last few years seems to have changed almost overnight, and there have been 26 million unemployment claims in the last five weeks. However, he said, this economic pause is short-term and was not caused by economic weakness but purposeful idling. He discussed the administration's plan for reopening and returning to a normal economic footing. He noted the department's unemployment payments of over \$700 million since the start of the pandemic. The department is providing clarity for employers to continue to do the right things for their workers and stop funding when recipients can return to work. Loren Sweatt, Principal Deputy Assistant Secretary of Labor for OSHA, noted OSHA has been providing information to businesses, working closely with agencies like the CDC on rules businesses should follow for new workplace safety measures, and investigating workplace conditions regarding the coronavirus pandemic. OSHA has fielded and investigated over 2,400 coronavirus complaints and will enforce respiratory, personal protective equipment, and sanitation standards going forward. Cheryl Stanton, Administrator for the Wage and Hours Division, noted their series of FAQs regarding responses to pandemics, including an online dialogue so the department can take comments from people on the new paid sick leave structure. (DOL 4/23)

### Fed Focuses on Lending Programs, but Monetary Policy Deliberations Loom

After several frenzied weeks creating a raft of emergency lending programs, Federal Reserve officials turn next week to planning and implementation rather than announcing new initiatives. Fed leaders suggested they are comfortable with their current policy stance, meaning major changes are unlikely to be unveiled Wednesday at the conclusion of their two-day policy meeting. But big questions loom that will dominate deliberations next week and in the weeks to follow, including how to manage the central bank's bond-buying efforts and how long to extend those easy-money policies, with announcements still likely several weeks away. Municipal bond market support is one step the Fed could take. "The principal focus now is not on adjusting what we see is quite an appropriate stance of monetary policy, at least for the next few months," Fed Chairman Jerome Powell said earlier this month. "The principal focus is on these lending programs and making sure that credit does flow in the economy." (WSJ 4/23)

### White House Trade Adviser: Trump to "Move Swiftly" to Expand Use of Defense Production Act

White House trade adviser Peter Navarro said in an interview with *The Washington Post* Wednesday that President Trump will "move swiftly" to expand the use of the Defense Production Act (DPA) for development of medical supplies. Navarro said the act could be helpful in incentivizing private companies to increase supply lines and mass produce the necessary equipment to respond to the ongoing coronavirus pandemic. "As Congress adds funds to DPA Title III, this invaluable tool can be strategically used to provide both surge capacity and longer run capabilities through funding key projects," he said. Navarro, who called himself the "DPA Policy Coordinator," said the Administration plans to use the act to fund Maine-based Puritan Medical Products to develop 20 million extra swabs per month for testing. (The Hill 4/22)



# BGR | GROUP

## CORONAVIRUS UPDATE

### Trump Signs Executive Order Limiting Immigration for 60 Days

President Trump on Wednesday announced he signed an executive order to temporarily suspend the issuance of new green cards, a limit on immigration he says will protect U.S. jobs amid the coronavirus pandemic. “In order to protect our great American workers, I have just signed an executive order temporarily suspending immigration into the United States,” Trump said. “This will ensure that unemployed Americans of all backgrounds will be first in line for jobs as our economy reopens,” Trump continued. “It will also preserve our healthcare resources for American patients.” The order, which was released shortly after Trump’s remarks, applies to those seeking permanent residence in the United States and will last for 60 days, at which point it will be reevaluated and potentially extended. Trump said he could change the order during the 60 days. The order applies to foreign nationals seeking a green card who are outside the United States at the time of the order, excluding those in the country seeking to change their immigration status. That distinction, lawyers say, is important because an order limiting change-of-status applications could upend the lives of legal immigrants in the country, inviting extensive litigation. (The Hill 4/22)

### USDA: SNAP Benefits Up 40 Percent

The U.S. Department of Agriculture (USDA) announced Wednesday that benefits from the Supplemental Nutrition Assistance Program (SNAP) have increased 40 percent since last month. The increase coincides with record numbers of applications for unemployment since the start of the coronavirus pandemic, as social distancing measures put in place by state governments have shuttered most businesses and services. The uptick in SNAP enrollment has cost the program an additional \$2 billion. SNAP usually costs the government \$4.5 billion each month. “These are unprecedented times for American families who are facing joblessness and hunger,” Agriculture Secretary Sonny Perdue said. Each state has requested emergency funding for the SNAP program as of Wednesday. The increase comes as the USDA is reportedly looking to tighten enrollment requirements at the request of states seeking to balance their budgets. (The Hill 4/22)

### Trump Downplays Risk of Coronavirus Rebound

President Trump on Wednesday confidently downplayed the risks of a second wave of the coronavirus outbreak in the fall that his own health officials say is almost certain to hit. “If it comes back though, it won’t be coming back in the form that it was, it will be coming back in smaller doses that we can contain,” Trump said, adding, “It’s also possible it doesn’t come back at all.” Top administration health officials warned of a return of the virus in the fall, though they expressed confidence the country would be more prepared to contain a second wave. Trump’s comments come one day after CDC Director Robert Redfield warned a second wave of the coronavirus in the fall could be “even more difficult” than the current outbreak if it coincides with flu season. (Politico 4/22)

### DOD Starts Tiered COVID-19 Testing Process to Ensure Safety

The Department of Defense is moving to a tiered COVID-19 testing program to protect service members and ensure they can continue to do the nation’s business, said John Hyten, vice chairman of the Joint Chiefs of Staff. The new system means the department is moving from a diagnostic focus to a diagnostic-plus-screening focus, he said, noting DOD now has the means to expand testing to a wider military population. The tiered focus gives priority to the highest-risk forces and will ensure strategic mission assurance. Tier 1

# BGR | GROUP

## CORONAVIRUS UPDATE

is for those involved in critical national capabilities such as strategic deterrence or nuclear deterrence. Tier 2 will test fielded forces around the world. Tier 3 encompasses forces being forward deployed or those redeploying. Tier 4 is for all other forces. Testing will become more frequent as supplies become more available. The military has already started testing those service members in Tier 1, Hyten said, but he pointed out testing is not a solution. Service members still must engage in social distancing, wearing masks, washing hands, and all other recommendations of medical officials. (DOD 4/22)

### Treasury Asks Publicly Traded Companies to Repay Small Business Loans

The Treasury Department is asking publicly traded companies such as the owner of Ruth's Chris Steak House to repay loans they received this month from a program intended to aid small businesses hurt by the coronavirus pandemic. In updated guidance issued Thursday, the Treasury Department said it was "unlikely that a public company with substantial market value and access to capital markets" would be able to demonstrate that a government-backed loan was necessary for it to support its ongoing business. About 150 public companies have received nearly \$600 million in loans from the federal Paycheck Protection Program, created to help struggling small businesses cover payroll and certain other expenses. The program had a \$10 million loan limit, but big hotel and restaurant businesses were able to apply through multiple subsidiaries as long as each location employed 500 or fewer people. One hotelier received approval for nearly \$60 million in loans by applying through three public companies. (WSJ 4/23)

### VA Medical Facilities Struggle to Cope with the Coronavirus

As the coronavirus spreads across the United States, Veterans Affairs (VA) healthcare facilities are struggling with shortages of workers and the equipment necessary to protect employees from the virus, according to VA staff and internal documents obtained by the Associated Press. Over 5,700 veterans treated by the VA have been infected by the coronavirus, and nearly 380 have died. The Labor Department is now investigating, and several Democrats in Congress sent a letter Thursday calling on President Trump to invoke the Defense Production Act to get more supplies for VA health facilities. The VA, responsible for the healthcare of 9 million military veterans, denied it was short of supplies and stressed that it follows federal health guidelines when rationing personal protective equipment like masks and gloves. (AP News 4/23)

## House and Senate Updates

### House Creates New Select Coronavirus Oversight Committee Over GOP Objections

The House voted today to establish a new investigative committee to monitor President Trump's implementation of nearly \$3 trillion in coronavirus relief measures, a step they said would safeguard the massive sums flowing to businesses, hospitals, and individual taxpayers. But the measure passed on a party-line vote of 212-182, with Republicans unanimously slamming the effort as a veiled attempt to damage Trump politically. They described it as redundant to the multiple congressional committees who already have jurisdiction to monitor the law. Pelosi reiterated she intends to name House Majority Whip Jim Clyburn to lead the new select committee, citing his work overseeing the federal response to Hurricane Katrina. The new panel will be established as a 12-member subcommittee of the House Oversight

# BGR | GROUP

## CORONAVIRUS UPDATE

Committee, but it allows the speaker to name seven members and House Republican Leader Kevin McCarthy (R-CA) to name five. McCarthy previously told Pelosi he would hold off on appointing Republicans until he sees whom Democrats tap. The new subcommittee will begin with a \$2 million budget, and Clyburn will be authorized to issue subpoenas or take depositions. The committee's official charge is to examine the use of taxpayer funds to address the coronavirus pandemic, potential waste or mismanagement, the effectiveness of new laws meant to address the pandemic, federal preparedness, the economic impact of the crisis, socioeconomic disparities in the impact of the crisis, the Trump Administration's handling of the crisis, the ability of whistleblowers to report waste or abuse, and the Trump Administration's cooperativeness with Congress and other oversight entities. (Politico 4/23)

### **House Foreign Affairs Committee Democrats Call on Trump to Resume Funding to WHO**

On Thursday, Democratic members of the House Foreign Affairs Committee called on President Trump to restore funding to the World Health Organization (WHO) and warned against shifting blame to the WHO in order to distract from the Trump Administration's failed response to the coronavirus pandemic. In a letter led by Chairman Eliot Engel (D-NY), the members underscored the need for a coordinated global response to the pandemic and the important role the WHO plays. The letter acknowledged the WHO's imperfections, noting, "we should thoroughly review its early handling of this crisis, particularly its engagement with Chinese authorities, and advocate for appropriate reforms." However, the letter said, "mistakes made by the WHO do not justify your halt in funding; nor do they excuse the serious failures of your Administration in confronting this pandemic. Indeed, had your administration worked more closely with the organization in the early stages of this crisis, it may have helped reduce the massive outbreak we've seen in this country. Instead, the U.S. seat on the WHO Executive Board has remained vacant since 2018, an astonishing abdication of American leadership at a time of international crisis, hurting the global response and expanding, not reducing China's ability to exert its influence." (HFAC 4/23)

### **E&C Leaders Demand Justification for Halting WHO Funding**

Energy and Commerce Chairman Frank Pallone (D-NJ), Health Subcommittee Chairwoman Anna Eshoo (D-CA), and Oversight and Investigations Subcommittee Chair Diana DeGette (D-CO) sent a letter to Office of Management and Budget (OMB) Acting Director Russell Vought demanding an explanation for President Trump's decision to suspend funding for the World Health Organization (WHO). The letter said, "In addition to undermining congressional authority, the President's unilateral decision to halt funding for WHO during the most severe public health crisis in a century is dangerous and irresponsible. It is also a blatant attempt to scapegoat WHO for the Trump Administration's own failures in its response to the global pandemic." The letter asks several questions related to who was consulted on the decision, the legal authority used to suspend funding, details on the amounts withheld, and rationale for the suspension of the funding and the decision and timing around the administration's reopening goals. The letter is available [here](#). (E&C 4/23)

### **Rep. Pallone Calls for OIG Investigation into Reassignment of HHS Official**

House Energy and Commerce Committee Chairman Frank Pallone (D-NJ) is requesting an investigation into the removal of Rick Bright, the former director of the Biomedical Advanced Research and Development Authority (BARDA). Pallone wants the HHS Office of Inspector General to investigate Bright's reassignment

# BGR | GROUP

## CORONAVIRUS UPDATE

to a lower-level position at the National Institutes of Health (NIH). Pallone said, “I have been particularly concerned by the Trump Administration’s politicization of public health agencies. This most recent action, if true, further raises serious questions about the commitment of President Trump and his Administration to science and the public good as the government and the nation work to combat an unprecedented global health pandemic.” Senator Ed Markey (D-MA) also called for an OIG investigation. He said Bright’s “abrupt reassignment” raises questions over whether the administration retaliated against Bright for “advocating for science and against Trump’s misinformation.” Pallone’s letter is [here](#). (E&C 4/23) (Hill 4/22)

### **McConnell Pushes “Bankruptcy Route” as Local Governments Struggle**

Senate Majority Leader Mitch McConnell (R-KY) on Wednesday insisted flailing state and local governments should be able to “use the bankruptcy route” rather than receive aid from the federal government — signaling renewed opposition to a top Democratic demand for the next coronavirus relief package. States do not have the ability to declare bankruptcy under current law, and modifying the bankruptcy code would likely be a heavy lift in Congress. The Senate on Tuesday passed a nearly \$500 billion “interim” package that included additional funding for a popular small-business loan program, hospitals, and expanded coronavirus testing. During the negotiations, Democrats had demanded billions more for state and local governments, citing requests from Democratic and Republican governors alike. McConnell’s office referred to such funding as “blue state bailouts” in a news release Wednesday, further underscoring the broad GOP opposition to such cash infusions. McConnell said it was no surprise that governors, regardless of political party, “would love to have free money.” He doubled down on his position in a phone interview with Fox News later in the day, declaring he would seek to limit any money for states and localities for coronavirus-specific concerns, if Congress does embark on a fourth stimulus package at all. (Politico 4/22)

### **Sens. Gillibrand, Bennet Propose Hiring Thousands for New “Health Force”**

Sens. Kirsten Gillibrand (D-NY) and Michael Bennet (D-CO) on Wednesday announced legislation aimed at hiring hundreds of thousands of new public health workers into a “Health Force” modeled after New Deal programs during the Great Depression. The bill would provide \$55 billion per year to hire hundreds of thousands of people who would help carry out testing, contact tracing, and eventually vaccinating to fight the coronavirus. The senators said the need for thousands more health workers combined with record unemployment levels illustrates the need for their measure. Gillibrand compared the program to the Works Progress Administration of the 1930s. (The Hill 4/23)

### **Sen. Warren, Rep. Levin Roll Out Plan for Coronavirus “Containment Corps”**

Sen. Elizabeth Warren (D-MA) and Rep. Andy Levin (D-MI) introduced a plan on Thursday to create a “containment corps” that would carry out a national coronavirus contact tracing program. The proposal would require the CDC to develop a plan within 30 days to “hire, deploy, and train” individuals who would be responsible for investigating cases of the coronavirus and performing contact tracing. The lawmakers want to get their plan included in the next coronavirus bill passed by Congress. To help accurately scale the contact tracing, they are also calling for the CDC to step up coronavirus testing. The Warren-Levin proposal would require the CDC to consult with states and localities to determine how many individuals they would need to work as case investigators or to perform contact tracing, the process of finding people who have

# BGR | GROUP

## CORONAVIRUS UPDATE

been in contact with infected individuals and informing them so they can quarantine themselves. It would also require the CDC to provide grants to local health departments to carry out the investigations and contact tracing, with additional funding given based on population. (The Hill 4/23)

### **Battle Lines Forming Over Next Round of Coronavirus Aid**

By week's end, the fourth coronavirus relief package is almost certain to become law. But passing a fifth one, which lawmakers have already promised, is shaping up to be a far more costly and contentious undertaking. President Trump called this week for a new bill providing aid to state and local governments, infrastructure spending, a payroll tax cut, and tax breaks for restaurants, sports, and entertainment interests. Senate Minority Leader Chuck Schumer (D-NY) said he would push for a "big, bold, broad" package with money for infrastructure, housing, election security, a "heroes fund" for frontline workers and first responders, a postal service rescue, and "robust" state and local aid. House Speaker Nancy Pelosi (D-CA) has her own wish list that includes extending enhanced unemployment insurance benefits past their current July 31 expiration and another round of tax rebate checks. She also wants more money to protect the integrity of elections and let people vote by mail. But Senate Majority Leader Mitch McConnell (R-KY) intends to pump the brakes on any new major spending initiative. Within minutes of the Senate passing the fourth relief measure Tuesday, he held a news conference to signal a go-slow approach amid concern about rising debt. The House is taking up the \$483 billion package today, which Trump says he will sign. Even before the latest aid bill emerged, independent forecasters said they expect this year's budget deficit to nearly quadruple the pre-coronavirus estimate, reaching nearly \$4 trillion. (Roll Call 4/23)

### **Democrats Introduce Bill to Include Cannabis Businesses in Coronavirus Relief**

Reps. Earl Blumenauer (D-OR) and Ed Perlmutter (D-CO) introduced a bill to make legal cannabis businesses eligible for federal coronavirus relief aid meant for small businesses. The legislation would grant the businesses eligibility for the Paycheck Protection Program (PPP), Economic Injury Disaster Loans (EIDL), and other aid. The current \$483 billion interim coronavirus aid package, which will replenish the small-business lending program, excludes marijuana companies from receiving aid. Cannabis lobbying groups have been pushing for eligibility for the aid since Congress passed the CARES Act in March, which also excluded marijuana companies. The National Association of Cannabis Businesses said Thursday the group would continue advocating for financial relief for the industry. (The Hill 4/23)

## State and Local Updates

### **State AGs Urge FDA to Transition to Gender Neutral Screening for Blood Donations**

Nearly two dozen state attorneys general (AGs) sent a letter to HHS Assistant Health Secretary Brett Giroir, spearheaded by California AG Xavier Becerra (D), requesting the Food and Drug Administration (FDA) further loosen its blood donation restrictions for the LGBTQ population. The pandemic has led to a shortage in the nation's blood supply. Becerra said, "During this pandemic, it is important to continue to evaluate and modernize blood donation guidance to be inclusive of LGBTQ Americans. A risk-based model not only protects the health and safety of our communities — it's the right thing to do." The letter said the

# BGR | GROUP

## CORONAVIRUS UPDATE

FDA should look at a person's "risk behavior" and not sex when it comes to determining whether they can give blood. (Hill 4/23)

### **States Start Outlining Plans for Resuming Elective Surgeries**

States have begun putting out plans for resuming elective surgeries. At the start of the pandemic, restrictions around elective procedures were put in place to preserve personal protective equipment and reduce transmission of COVID-19. CMS released guidance for health systems to help them prepare to resume elective surgeries, which was part of President Trump's guidelines for states on reopening. States that have announced plans to lift their bans on elective surgeries include [Alaska](#), [California](#), [Georgia](#), [Louisiana](#), [Nebraska](#), [New York](#), [Oklahoma](#), [Texas](#), and [Utah](#). (Politico 4/23)

### **Over 4.4 Million Americans Sought Unemployment Benefits Last Week**

About 4.4 million Americans applied for jobless benefits in the week ending April 18, the Labor Department said Thursday. While the pace of layoffs appears to have subsided since then, workers have filed more than 26 million unemployment insurance claims in the past five weeks. Most states recorded a high but declining number of new claimants last week. While California continued to field the largest number of claims, with 530,000, that marked a 19 percent drop from the previous week. Claims in New York and Missouri fell 50 percent versus the prior week. A few states that previously reported small filing rates noted sharp rises last week. Initial claims in West Virginia and Connecticut more than tripled. Florida's volume increased 180 percent as over 500,000 workers filed for unemployment. Oxford Economics estimates the pandemic will result in 27.9 million lost jobs, including between 8 million and 10 million in industries such as manufacturing and construction that most states have not ordered to close. (WSJ 4/23)

### **As States Grapple with Reopening, Trump Says Part of Georgia's Plan is "Just Too Soon"**

President Trump said he strongly disagrees with Georgia Gov. Brian Kemp's plan to reopen part of the state's economy, especially by putting beauty salons and other establishments that require close personal contact back in business. Georgia's move to reopen its economy is the most aggressive in the United States, but many other states are also looking for ways to put people back to work, even while the coronavirus remains a public health threat. A coronavirus model routinely cited by the White House warns that no state should be opening before May 1, and Georgia should not reopen until June 19. "It's just too soon," Trump said Wednesday. "The spas and the beauty parlors and the barber shops ... I love them but they can wait a little bit longer, just a little bit, not much, because safety has to predominate." (CNN 4/23)

### **New Jersey, New York Governors Blast McConnell for Pushing "Bankruptcy Route" for States**

The governors of New York and New Jersey, two of the states hardest hit by the outbreak of the coronavirus, on Wednesday denounced Senate Majority Leader Mitch McConnell (R-KY) for suggesting states could "use the bankruptcy route" instead of receiving financial assistance from the federal government. New York Gov. Andrew Cuomo called McConnell's remarks "politically repugnant," arguing they would do nothing to help states reopen portions of the U.S. economy. "It's one of the dumbest statements of all time," he added. "Encouraging, explicitly almost hoping for bankruptcies of American



# BGR | GROUP

## CORONAVIRUS UPDATE

states in the midst of the biggest healthcare crisis this country has ever faced is completely and utterly irresponsible,” New Jersey Gov. Phil Murphy said. (Hill 4/23)

### **New York City: 1 in 5 Residents Infected with Coronavirus, Says Cuomo**

In a new study conducted by New York state, nearly a quarter of New York City’s population was found to have been sickened by the coronavirus, revealing the shocking spread of the killer pandemic, Gov. Cuomo said Thursday. Cuomo said an eye-popping 21 percent of people from the five boroughs who were picked to be tested outside supermarkets and big box stores have contracted the disease at some point. The study suggests nearly two million New Yorkers in the city have gotten the virus, including a slightly larger number of men than women. “What does it mean? They were infected three weeks ago and four weeks ago and five weeks ago or six weeks ago,” Cuomo said. “They have the virus and they developed the antibodies and they are recovered.” (NY Daily News 4/23)

### **Massachusetts Gov. Baker, Health Officials Say People are Avoiding ER Visits Due to Coronavirus**

Massachusetts Gov. Charlie Baker and officials at some of the state’s top teaching hospitals are urging anyone experiencing symptoms of a heart attack or stroke, like chest pains or slurred speech, or other acute illness or injury to not wait too long before heading to a nearby emergency room. Fear of COVID-19 is sparking a noticeable drop in patients arriving at hospitals, officials said. That can result in patients waiting too long and arriving much sicker. Baker said despite the increase in coronavirus hospitalizations - nearly 4,000 - hospitals have seen a decrease in other visits, for serious issues like heart problems, dialysis, and cancer treatments. “We know these medical conditions didn't stop when COVID-19 picked up,” he said. The governor urged people who are experiencing serious health issues to call their doctor or go to the emergency room. To help spread that message, he said six Boston-area hospitals have produced a series of public service announcements that will air on local television stations starting Thursday. (NBC Boston 4/23)

### **First Pollution, Now Coronavirus: Black Parish in Louisiana Deals With a “Double Whammy” of Death**

St. James Parish is a nearly majority black parish of about 21,000 people halfway between New Orleans and Baton Rouge, along an 85-mile stretch that is home to more than 200 chemical plants and refineries. Even before the coronavirus arrived, there was so much sickness and death in that corridor of southeastern Louisiana that it had been given the nickname Cancer Alley. More recently, Death Alley. Many of the old family farms have been replaced with petrochemical plants and refineries and other behemoths of industry — DuPont, Mosaic Fertilizer, Nucor, NuStar, OxyChem, Plains Pipeline, Shell, and others. Along the horizon are smokestacks where trees once stood tall. The factories have pushed so far into residential communities that chemical storage tanks have sprouted behind churches, many neighbors share fence lines with facilities, not families, and some homeowners have found themselves jammed between chemical plants on nearly all sides. And now the coronavirus has exacerbated the dire state of health in St. James and nearby St. John the Baptist parishes, which are among the 20 U.S. counties with the highest per-capita death rates from the coronavirus. Resident Sharon Lavigne said friends and neighbors, many already suffering with health issues, have fallen gravely ill or died from the virus. This month, Harvard released a preliminary study that suggests long-term exposure to air pollution is connected to the most severe COVID-19 symptoms and higher mortality rates from the disease. A long history of segregation and mistreatment has



# BGR | GROUP

## CORONAVIRUS UPDATE

made African Americans more likely than whites to live in unhealthy neighborhoods, where air and soil quality are worse. Even middle-class blacks are more likely than poor whites to live in these kinds of more toxic environments. (NBC 4/23)

### International Updates

#### Germany at Odds with Apple on Smartphone Coronavirus Contact Tracing

Germany has chosen a home-grown technology for smartphone-based tracing of coronavirus infections, putting it at odds with Apple, which has refused on privacy grounds to support the necessary short-range communication on iPhones. The government told lawmakers it chose a design developed for the Robert Koch Institute, the agency leading Germany's coronavirus health response, that would hold personal data on a central server. Countries around the world are rushing to launch digital contact tracing apps to identify who an infected person has had contact with as part of efforts to slow the spread of the pandemic. In Europe, governments want to use Bluetooth "handshakes" between devices as a way to measure the risk of infection, but approaches differ as to whether such contacts should be logged on devices or on a central server. Germany has backed the centralized platform developed by the Pan-European Privacy-Preserving Proximity Tracing (PEPP-PT) consortium and an app built by one of its members, the Fraunhofer Heinrich Hertz Institute. Ideally, such national contact tracing apps would be interoperable, enabling them to "talk" across borders and making it possible to lift restrictions on travel that have crushed economic activity. But Europe has split into two camps with Germany, France, Italy, and Britain backing centralized solutions. Thierry Breton, the European Union's industry chief, told Apple CEO Tim Cook that apps being developed by governments should work on its devices. (Reuters 4/23)

#### UK Economy Crumbles Under Coronavirus Strain

The United Kingdom's economy is crumbling under the strain of the coronavirus lockdown, and government borrowing is soaring to the highest levels in peacetime history, increasing pressure on the government to set out an exit strategy. Prime Minister Boris Johnson, recuperating at his country residence after being seriously ill with COVID-19, is facing criticism from opposition politicians and some epidemiologists for reacting too slowly to the outbreak. Ministers are already struggling to explain high death rates, limited testing, and shortages of protective kit, and the grim reality of the damage to the world's fifth largest economy hit home on Thursday. The UK will issue 180 billion pounds (\$222 billion) of government debt between May and July, more than it had previously planned for the entire financial year. The country's debt mountain exceeds \$2.5 trillion, and its public sector net borrowing could reach 14 percent of gross domestic product this year, the biggest single year deficit since World War Two. A Reuters poll of economists on Thursday pointed to a roughly 13 percent contraction in economic output in the current quarter, which would be the largest since records began after World War Two. (Reuters 4/22)

#### UK Capacity for Coronavirus Testing is Over 50,000 People Per Day

The United Kingdom now has the capacity for carrying out 51,000 coronavirus tests per day, Health Secretary Matt Hancock announced Thursday. That means "essential workers will be able to book tests

# BGR | GROUP

## CORONAVIRUS UPDATE

themselves on Gov.UK,” Hancock said, adding the process will be free, and people who live with essential workers will be able to get tested. Results will come by text message. The British government aims to test 100,000 people per day by the end of the month. Earlier, the government announced the number of people who had died in hospitals after testing positive for coronavirus had reached 18,738. (CNN 4/23)

### **Banksy's “Girl with a Pierced Eardrum” Gains a Coronavirus Face Mask**

Banksy says “Girl with a Pierced Eardrum” has been updated for the coronavirus era with the addition of a blue surgical face mask. The mural, a take on Dutch artist Johannes Vermeer’s “Girl with a Pearl Earring” but with a security alarm replacing the pearl, was painted on a harborside building in the street artist’s home city of Bristol in west England in 2014. It is not known whether Banksy, whose identity is a closely guarded secret, or somebody else attached the fabric face mask to the painted girl. The newly adorned mural did not appear on Banksy’s Instagram page where he usually posts images of his work. The COVID-19 pandemic has already inspired the artist. He unveiled a scene of his trademark stenciled rats running amok in a bathroom rather than on the streets last week, reflecting official advice from the British government to stay at home. (Reuters 4/23)

### **Traffic Light for Bathroom Break is New Normal in Coronavirus Italy**

Simone Mela never dreamed a traffic light would determine when he could take a bathroom break in the factory where he works. But in the world according to coronavirus, that is the new normal. And he feels lucky to have a job. Only 200 of the 800 workers at the ISA company, which makes refrigerated display cases for bars, restaurants, and supermarkets, have so far been able to return to the factory in Italy’s Umbria region. The gradual return has been made possible through a combination of solutions ranging from simple to innovative to high tech. Strips taped on the floor create walking lanes and delineate work areas. A yellow and green traffic light system was installed to keep bathrooms safe. Workers flick a switch as they enter or leave the bathroom, and the color of the light tells those who want to enter if they can or have to wait. The high-tech end of the company’s back-to-work strategy is a system known as SWAT, or System Workers Advance Tracing. Employees scan an app onto their smartphones and clip a small white device on to their work clothes. It vibrates if they get too close to another worker and simultaneously sends a signal to a computer database. Employees’ body temperatures are checked when they enter the factory, and they all wear masks, gloves, and face shields. To provide further protection, Plexiglas dividers have been put up between workstations along the assembly line. But they extend from the waist up so workers can still pass material and talk to each other. (Reuters 4/23)

### **School Attendance Will Not be Mandatory When Classes Resume in France**

French President Emmanuel Macron told mayors school attendance will be voluntary when classes resume. Macron said parents who do not wish to send their children to school would not be obliged to do so. France has outlined a plan to begin reopening schools starting on May 11. (CNN 4/23)

### **No End Date for Russia's Lockdown, Government Says**

Russia's government has not set a date for ending its nationwide lockdown, Kremlin spokesperson Dmitry Peskov said Thursday, as concerns grow about the impact of coronavirus on the country’s economy.

# BGR | GROUP

## CORONAVIRUS UPDATE

Responding to a question from reporters about the point at which the economic impact of the lockdown might be too great, Peskov said, “No, there is no such date. There is a specific time period tied to a specific epidemiological situation.” (CNN 4/23)

### Italian Cruise Ship in Japan has 48 Coronavirus Cases

Nearly 50 of over 600 crew members on an Italian cruise ship docked for repairs in Japan’s Nagasaki tested positive for the coronavirus, raising concern about the strain on the city’s hospitals if conditions worsen for those infected. So far, 127 people have been tested, and the infection rate is 38 percent. The latest tests showed on Thursday that 14 people aboard, all either cooks or food servers, were infected, an official in Nagasaki prefecture said. One patient who had been taken to the hospital was now in serious condition and on a ventilator, he said. Those showing mild or no symptoms remain on board, and officials said they hoped to complete testing of all 623 crew this week. (Reuters 4/23)

### South Africa Will Begin Easing Lockdown Restrictions

South Africa will begin easing restrictions after its nationwide lockdown comes to an end on April 30, President Cyril Ramaphosa announced Thursday. The country will adopt a five-level alert system to determine future restrictions dependent on coronavirus spread and readiness to combat the disease, with an immediate downgrade from the strictest level five to level four on May 1. Under level four, certain sectors of the economy will be permitted to resume phased operations, including much of the country’s mining sector. South Africa’s borders will remain closed. No travel will be allowed between provinces except for transportation of goods and for exceptional circumstances such as funerals. South Africans will still be encouraged to stay home, but people can begin to exercise under strict public health conditions. The sale of cigarettes will again be permitted, but bars will remain closed, along with entertainment venues and events. Roughly 75 percent of confirmed cases have been found in just six of the country’s metro areas, Ramaphosa said, outlining the reasons for continued strict travel restrictions. (CNN 4/23)

## General Updates

### Drug Pricing Coalition Launches Campaign on COVID-19 Vaccine and Treatment Costs

A new drug pricing coalition, Lower Drug Prices Now, will launch a campaign urging lawmakers to ensure vaccines or treatments for COVID-19 will be affordable for patients. The coalition is made up of nearly five dozen left-leaning think tanks, unions, and healthcare groups. They want lawmakers to pass legislation that would prevent prescription drug companies from claiming exclusivity rights to a vaccine or treatment and ban them from charging a high price for a drug. (CQ 4/22)

### Global Economy Hit by Record Collapse of Business Activity

Surveys suggest governments have effectively closed parts of the economy where face-to-face interaction is avoidable, such as restaurants and barbers, and activity has tumbled in parts of the economy less directly affected. The composite Purchasing Managers Index for the U.S. fell to 27.4 in April from 40.9 in March. A reading below 50.0 indicates activity has fallen, and the lower the figure, the larger the fall. In the eurozone,

# BGR | GROUP

## CORONAVIRUS UPDATE

the index dropped to 13.5 in April from 29.7 in March, a record low for data going back to July 1998. The lowest level reached in the wake of the global financial crisis was 36.2 in February 2009. (WSJ 4/23)

### **Drug Makers Prepare to Make Coronavirus Treatments**

Drug makers are reconfiguring manufacturing plants and hiring hundreds of new workers to be ready to make coronavirus drugs and vaccines should they prove effective in fighting the virus. Johnson & Johnson, Pfizer, and other companies are gearing up so they can make hundreds of millions of doses of coronavirus pills and shots as quickly as possible if studies support their worth. For some companies, the efforts involve shifting production of existing drugs to other factories, changing supply chains, and even partnering with rivals. Companies that typically only make enough doses of developmental drugs for studies do not usually start readying for full-scale production this early. This manufacturing ramp-up, however, is part of the industry's speedy mobilization to deal with the pandemic even as companies lose out on tens of millions of dollars in manufacturing investments if their drug and vaccine candidates fail during testing. (WSJ 4/23)

### **Kroger to Require Employees to Wear Masks, CEO Says**

Kroger CEO Rodney McMullen said the grocery chain will require all employees to wear face masks while working to prevent the spread of the coronavirus in its stores. McMullen said on Wednesday the policy would go into effect later this week. The company previously required employees only in "hot spots" to wear personal protective equipment. McMullen also addressed supply chain issues, telling "Good Morning America" hosts that essential items such as paper towels and toilet paper would be restocked within days as grocers resolve supply issues. Many localities including Washington, D.C., already require residents to don face masks before entering grocery stores, and many chains, including Kroger, have limited the number of customers who may shop at any one time. (The Hill 4/23)

### **Lufthansa Aims to Finalize 10 Billion Euro Rescue Package Next Week, Sources Say**

Lufthansa aims to finalize a state aid rescue package worth up to 10 billion euros (\$10.8 billion) next week after the coronavirus crisis forced it to ground almost all its planes. The package will consist of equity from Germany's new economic stabilization fund (ESF), state-guaranteed loans from Germany, and debt supplied by Austria, Switzerland, and Belgium, where Lufthansa subsidiaries are based. Lufthansa is in intensive negotiations with the governments regarding various financing instruments to secure the group's solvency in the near future, Lufthansa said as it reported a first-quarter loss of 1.2 billion euros late on Thursday. Chief Executive Carsten Spohr cited a cash burn at a rate of 1 million euros per hour, meaning its 4-billion-euro cash reserves will be inadequate. (Reuters 4/23)

### **Dentistry at "Virtual Standstill" and 2021 is not Safe Either**

The American Dental Association (ADA) warned the COVID-19 pandemic's unprecedented impact is likely to slash dental spending into 2021, a stark warning that contrasts with some optimism of a quick recovery. Over 80 percent of dental practices reported that patient volume for the week of April 6 was less than 5 percent of normal. ADA estimates COVID-19 could lead to a two-thirds reduction in U.S. dental spending for the year, with 2021 expected to face a 32 percent reduction. That would be worse than investors have feared, according to Evercore ISI analysts. The ongoing plunge in spending, followed by a slower rebound,

# BGR | GROUP

## CORONAVIRUS UPDATE

could harm companies that make and sell equipment to dentists, such as Henry Schein Inc., Patterson Companies Inc., and Dentsply Sirona Inc., and orthodontics, like Align Technology Inc. (Bloomberg 4/23)

### **Elite Colleges Back Away from Rescue Cash Amid Criticism of Endowments**

Stanford University is withdrawing an application for \$7.4 million it would get in federal emergency funding based on its numbers of poorer students. Harvard University is rejecting its \$8.7 million share, too, citing "intense focus from politicians," the day after being sharply criticized by President Trump. Princeton said it will not accept the \$2.4 million that was headed its way. Yale University followed their lead with an announcement Wednesday night it would do the same. Colleges and universities across the country are grappling with significant financial losses brought on by the coronavirus as they have shut down campuses and moved instruction online. Some schools have been pleading with Congress for more money in recent weeks, saying the stimulus law that provided nearly \$14 billion for higher education is not enough to support students and soften the economic blow they are seeing from losses in revenue. Even though a big chunk of the money set aside by Congress is intended to directly target students with emergency grants for needs like housing and food, the nation's wealthiest universities are under intense pressure from the Trump Administration to reject the funds because of their multi-billion-dollar endowments. (Politico 4/23)

### **Coronavirus School Shutdowns Threaten to Deepen U.S. "Digital Divide"**

Some 14 percent of school-age children, or 7 million, live in a home without high-speed internet, many in less populated areas that lack service or in low-income households that cannot afford it, a 2018 Department of Commerce study found. While the digital divide is not a new phenomenon, the coronavirus outbreak has laid bare the technological inequities that bedevil rural and impoverished school districts, including Grand Coulee, Washington, where two-thirds of the approximately 720 students - many Native American - are eligible for free or reduced-price lunch. Some districts have reverted to earlier technologies, with staffers delivering paper packets along with meals for needy families. Some schools have stationed buses transmitting mobile wireless signals in neighborhoods; others have encouraged students to park near the school on the weekend and use the wireless network to download necessary materials. But officials warn some kids will be left behind no matter what. Those concerns have only deepened as the coronavirus-forced hiatus has grown from weeks to months. (Reuters 4/23)

### **NFL Draft Becomes Lifeline for Sports Betting and Broadcasters**

The NFL draft is always a closely watched event, with sports fans, gamblers, and fantasy-football addicts eagerly awaiting each pick. But this year - when the rest of the sports world is shut down because of the coronavirus - it has become a lifeline for broadcasters, advertisers, and bookmakers that are all starved for content. It is the first virtual draft for the National Football League, with Commissioner Roger Goodell announcing the picks from his home. The networks will have video feeds from nearly 100 locations, as they capture the action with player prospects first hearing the news of their new teams from their homes. FanDuel Group Chief Executive Officer Matthew King expects online betting related to the draft to be 10 times the volume of last year. His company and competitors, such as DraftKings, have been adding new types of bets related to the event, which starts Thursday at 8 p.m. Eastern time. (Bloomberg 4/23)

# BGR | GROUP

## CORONAVIRUS UPDATE

### Family-Owned Farms and Wineries are Struggling to Adapt During Shutdown

Pick any part of the supply chain, in almost any branch of agriculture, and the pandemic and government-ordered shutdowns have inflicted damage there. The region's dairy farmers, suddenly dealing with a world where schools and restaurants have closed, worry they might have to dump surplus milk, as producers in other states have done. Commercial fishing operations freeze as much of their catch as they can while watching prices sink. Farmers' markets — a key outlet for growers and a happy center for weekend socializing — operate under mandatory social distancing regulations. This is also the season when business picks up at area wineries. Vineyard tours and special events draw visitors interested in sampling wine and perhaps buying some bottles for home. But almost every business decision over the past few months has been dictated by a single fact: There was almost no money coming in. (The Washington Post 4/23)

# BGR | GROUP

## CORONAVIRUS UPDATE

### Coronavirus Information Resources

1. Centers for Disease Control and Prevention
  1. [Coronavirus Website](#)
  2. [Twitter](#)
2. World Health Organization
  1. [Coronavirus Website](#)
  2. [Twitter](#)
3. [COVID-19 Global Cases by CSSE at Johns Hopkins University \(JHU\)](#)
4. [Global Pandemic Coronavirus \(COVID-19\) Tracker by Domo](#)
5. [CNN State-By-State Breakdown of U.S. Coronavirus Cases](#)
6. [The President's Coronavirus Guidelines for America: 15 Days to Slow the Spread](#)
7. [USA.GOV - Government Response to Coronavirus, COVID-19](#)
8. [U.S. Department of State Coronavirus Website](#)
  1. [Travel Advisories](#)
9. U.S. Agency for International Development
  1. [Coronavirus Website](#)
  2. [Center for International Disaster Information](#)
10. [U.S. Department of Health and Human Services](#)
  1. [Twitter](#)
  2. [Facebook](#)
11. [Centers for Medicare & Medicaid Virtual Toolkit](#)
12. [U.S. Department of Defense Coronavirus Website](#)
13. [U.S. Food and Drug Administration \(FDA\) Coronavirus Website](#)
14. [U.S. Environmental Protection Agency \(EPA\) Coronavirus Website](#)
15. [U.S. Department of Labor Coronavirus Website](#)
16. [U.S. Department of Homeland Security Coronavirus Website](#)
17. [U.S. Department of Energy Coronavirus Website](#)
18. [U.S. Department of Agriculture Coronavirus Website](#)
19. [OSHA Guidance on Preparing Workplaces for COVID-19](#)
20. [The COVID Tracking Project](#)
21. [Politico Live Tracker State-by-State](#)



# BGR | GROUP

## CORONAVIRUS UPDATE

### Coronavirus Legislation Resources

- **Third Package – The CARES Act**
  - Text of H.R. 748, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) can be found [here](#).
  - The summary of the appropriations provisions can be found [here](#).
  - The full text of “Division B – Emergency Appropriations for Coronavirus Health Response and Agency Operations” can be found [here](#).
  - **Fact Sheets Prepared by the Senate Small Business and Entrepreneurship Committee**
    - [The Small Business Owner’s Guide to the CARES Act](#)
    - [Fact Sheet on Keeping American Workers Paid and Employed Act](#)
    - [Paycheck Protection Program FAQs for Small Businesses](#)
  - **Fact Sheets Prepared by the House Ways and Means Committee**
    - [CARES Act: Unemployment Insurance Questions Answered](#)
    - [Fact Sheet and FAQ on the Bill’s Unemployment Compensation Provisions](#)
    - [Fact Sheet on Unemployment Insurance and COVID-19](#)
    - [FAQs on the Bill’s Rebates \(Direct Cash Payments to Americans\)](#)
    - [Explainer on How the Bill’s Rebates Work in Terms of Social Security](#)
    - [FAQs on Health Care Provisions](#)
    - [Fact Sheet on Social Security and the CARES Act](#)
  - **Fact Sheets Prepared by the House Small Business Committee**
    - [Fact Sheet on the Bill’s Small Business Provisions](#)
  - **Press Release Prepared by the House Oversight and Government Reform Committee**
    - [Overview of the Bill’s Oversight and Accountability Provisions](#)
  - **Fact Sheets Prepared by the Senate Banking, Housing, and Urban Affairs Committee**
    - [Summary](#) of Lending Programs of Title IV of CARES Act
    - [Letter](#) to Treasury and Federal Reserve
  - **Fact Sheets Prepared by the Senate Finance Committee**
    - Recovery Check [FAQ](#)
    - Employee Retention Credit [FAQ](#)
    - Rural [Resources](#) in the CARES Act
    - CARES Act Subtitle D (Health Care) [Section-by-Section](#)
    - CARES Act Tax Policy and Unemployment Insurance [Section-by-Section](#)
  - **Fact Sheets Prepared by the House Financial Services Committee**
    - [Fact Sheet on Financial Services Priorities Included in the Bill](#)
  - **Fact Sheets Prepared by the House Agriculture Committee**
    - [Fact Sheet on COVID-19 Response SNAP Provisions](#)
    - [Fact Sheet on COVID-19 Response SNAP Provisions in Rounds 2 and 3](#)
  - **Fact Sheets Prepared by the House Appropriations Committee**
    - [Help for Labor/Health/Human Services](#)

# BGR | GROUP

## CORONAVIRUS UPDATE

- [Help for Government and Nonprofits](#)
- [Help for Military and Veterans](#)
- [Help for Tribes](#)
- Fact Sheets Prepared by the Senate Health, Education, Labor, and Pensions Committee
  - [One-Pager](#) and [Press Release](#)
- Fact Sheets Prepared by the House Education and Labor Committee
  - [Paid Sick / Family Leave](#)
- Other Resources
  - [State-by-State Information on the Bill prepared by the Center for Budget and Policy Priorities](#)
  - [State-by-State Information on the Bill prepared by the Tax Foundation](#)
- **Second Package – The Families First Coronavirus Response Act**
  - Text of H.R. 6201, Families First Coronavirus Response Act can be found [here](#).
  - A section-by-section summary of the bill can be found [here](#).
- **First Package – The Coronavirus Preparedness and Response Supplemental Appropriations Act**
  - Text of H.R. 6074, Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 can be found [here](#).
  - A section-by-section summary of the bill can be found [here](#).