



DAILY COVID-19 UPDATE

April 2, 2020

WHAT HAPPENED TODAY

This morning, Speaker Pelosi [announced](#) the formation of the House Select Committee on the Coronavirus Crisis. It will be chaired by House Majority Whip Jim Clyburn (D-SC), will be bipartisan, and aims to prevent waste, fraud and abuse of the most recent \$2.2 trillion relief package (the CARES Act).

Meanwhile, during a press teleconference, House Minority Leader Kevin McCarthy (R-CA) appeared skeptical of the need for a Phase IV package, saying, "Before we start drafting a fourth package, I'd like these three packages we just put out... to take care and get this economy moving." He added that while he isn't "opposed to infrastructure," he is "opposed to using a crisis to try to restructure government." Additionally, Senate Majority Leader Mitch McConnell (R-KY) [stated](#) Speaker Pelosi's calls for a Phase IV bill are "premature," and that she "needs to stand down on the notion that we're going to go along with...do[ing] things that are unrelated to the crisis."

Since our last update, the Food and Drug Administration (FDA) and the Consumer Financial Protection Bureau (CFPB) published additional guidances. Please see below for more details.

LATEST PMJ RESOURCES

- [Phase IV Outlook Deck](#)
- [Global COVID-19 Export Controls](#)
- [Drug Shortage and Medical Supply Chain Tracker](#)
- [COVID-19 Travel Restrictions](#)
- [COVID-19 Legislation Tracking Chart](#)
- [Memo - Federal Reserve COVID-19 Announcements](#)

ECONOMIC UPDATE

Congressional

- **House**
 - Speaker Nancy Pelosi (D-CA) in a [Dear Colleague letter](#) announced the establishment of the House Select Committee on the Coronavirus Crisis, which will be chaired by Majority Whip Jim Clyburn (D-SC). The Committee will be

bipartisan and have an expert staff, and it will be examine all aspects of the federal response to the coronavirus to ensure that taxpayer dollars are being wisely and efficiently spent to save lives, deliver relief and benefit the U.S.' economy.

- Financial Services Committee Chairwoman Maxine Waters (D-CA) [sent a letter](#) to Treasury Secretary Mnuchin urging him to ensure the law benefits workers, families, and the rest of the American people it was intended to help as a result of the Coronavirus pandemic.
- The House Financial Services Committee, led by Chairwoman Maxine Waters (D-CA), [released a document](#) with answers to frequently asked questions regarding financial services provisions in the CARES Act.
- Financial Services Committee Chairwoman Maxine Waters (D-CA) [sent a letter](#) to Treasury Secretary Mnuchin and Small Business Administration (SBA) Administrator Jovita Carranza urging them to ensure all financial institutions, including community banks, credit unions, minority depository institutions, and Community Development Financial Institutions (CDFIs), have the resources they need to participate in the Paycheck Protection Program (PPP).
- Financial Services Committee Chairwoman Maxine Waters (D-CA) [sent a letter](#) to Securities and Exchange Commission (SEC) Chairman Jay Clayton and Treasury Secretary Steven Mnuchin urging them to “uphold safeguards put in place to protect non-traditional workers—such as contractors, freelancers, and those in the gig economy— during the coronavirus pandemic.”
- Ways and Means Republicans published a blog post titled, “[CARES Act: Coronavirus Relief Check Questions Answered.](#)”
- **Senate**
 - Click [here](#) to read an update on the Senate Republican Policy Committee’s coronavirus response.
 - Senate Democratic Leader Chuck Schumer (D-NY) [sent a letter](#) to and Small Business Administration (SBA) Administrator Jovita Carranza to request the release of guidance that “both reflects Congress’ intent in the CARES Act and that offers clarity and certainty to small businesses and nonprofits on how they can receive timely assistance from the SBA.”

Administration

- The Federal Reserve
 - The Federal Reserve Board in a [press release](#) announced a temporary change to its supplementary leverage ratio rule to ease strains in the Treasury market resulting from the coronavirus and increase banking organizations’ ability to provide credit to households and businesses.
 - The Federal Reserve Board in a [press release](#) announced the Board of Governors of the Federal Reserve System, the Commodity Futures Trading Commission, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Securities and Exchange Commission will consider comments on Volcker rule modifications following the expiration of the comment period. The proposal asked for comments to be submitted by April 1, 2020.
- Department of Housing and Urban Development (HUD)
 - Yesterday, the U.S. Department of Housing and Urban Development [announced](#) a tailored set of mortgage payment relief options for single family homeowners with FHA-insured mortgages who are experiencing financial hardship as a result of the COVID-19 National Emergency.
- Treasury

- The Treasury Department and the IRS yesterday [announced](#) that Social Security beneficiaries who are not typically required to file tax returns will not need to file an abbreviated tax return to receive an Economic Impact Payment. Instead, payments will be automatically deposited into their bank accounts.
- Internal Revenue Service (IRS)
 - The Internal Revenue Service today [urged](#) taxpayers to be on the lookout for a surge of calls and email phishing attempts about the Coronavirus, or COVID-19. These contacts can lead to tax-related fraud and identity theft.

Regulatory/Implementation Guidance

- Consumer Financial Protection Bureau (CFPB)
 - The Consumer Financial Protection Bureau (Bureau) yesterday [released a policy statement](#) outlining the responsibility of credit reporting companies and furnishers during the COVID-19 pandemic.

Articles of Interest

- 4/2 The Wall Street Journal published an article titled, "[Record 6.6 Million Americans Sought Unemployment Benefits Last Week.](#)"
- 4/1 Reuters published an article titled, "[Exclusive: Top U.S. banks may shun small-business rescue plan on liability worries – sources.](#)"
- 4/1 Bloomberg published an article titled, "[Big Banks Get Fed Blessing to Extend Leverage.](#)"
- 4/1 Bloomberg published an article titled, "[Fed's Rosengren Says Main Street Lending Program Two Weeks Away.](#)"

PUBLIC HEALTH UPDATE

Congressional

- **House**
 - Rep. Richard Neal sent a [letter](#) to Vice President Pence asking for a detailed explanation of the government's decision-making in distributing personal protective equipment (PPE).
 - Speaker Pelosi issued a [Dear Colleague letter](#) announcing the formation of the bipartisan House Select Committee on the Coronavirus Crisis.
 - Reps. Pallone, Neal, Scott, Murray, and Wyden released a [joint statement](#) condemning President Trump's decision not to establish a special enrollment period during the COVID-19 outbreak.
 - Rep. Krishnamoorthi sent a [letter](#) to FDA Commissioner Hahn urging the agency to use its authority to clear the market of e-cigarettes for the duration of the coronavirus pandemic and use all available tools to encourage Americans to stop smoking and vaping as reports show it increases risks for COVID-19 patients.
- **Senate**
 - Sens. Murray and DeLauro sent a [letter](#) to HHS Secretary Azar seeking information about levels of medical supplies in the Strategic National Stockpile.
 - The Senate Republican Policy Committee (RPC) published an [update](#) on the coronavirus response.

Administration

- White House
 - President Trump issued an [order](#) under the Defense Production Act to direct HHS and the Department of Homeland Security to help U.S. manufacturers such as GE, Hill-Rom, Medtronic, ResMed, Royal Philips, and Vyair Medical secure the necessary supplies to build ventilators needed during the COVID-19 pandemic.
- Health and Human Services
 - HHS partnered with the Department of Justice (DOJ) confiscated over half a million medical supplies from hoarders who were price gouging. They [distributed](#) 192,000 N95 respirator masks, 598,000 medical grade gloves and 130,000 surgical masks, procedure masks, N100 masks, surgical gowns, disinfectant towels, particulate filters, bottles of hand sanitizer, and bottles of spray disinfectant to healthcare workers on the frontlines in New York and New Jersey.
 - HHS' Office for Civil Rights (OCR) [announced](#) that effective immediately, it will exercise its [enforcement discretion](#) and will not impose penalties for violations of certain provisions of the HIPAA Privacy Rule against health care providers or their business associates for the good faith uses and disclosures of protected health information (PHI) by business associates for public health and health oversight activities during the COVID-19 nationwide public health emergency.
 - HHS' Office of Inspector General (OIG) published a [report](#) titled, "States Could Do More to Prevent Terminated Providers From Serving Medicare Beneficiaries."
 - HHS' Office of Inspector General (OIG) published a [report](#) titled, "Twenty-Three States Reported Allowing Unenrolled Providers to Serve Medicaid Beneficiaries."
- Food and Drug Administration
 - The FDA in collaboration with CDC, BEI Resources, the Institute for Genome Sciences at the University of Maryland, and National Center for Biotechnology Information (NCBI) developed quality-controlled, [reference sequence data](#) for the SARS-CoV-2 reference strain for the U.S.
 - The FDA is continuing to issue warning letters to companies for selling fraudulent COVID-19 products. FDA and FTC issued a [warning letter](#) to Neuro XPF, which sells cannabidiol (CBD) products in the U.S. with the misleading claim these products can mitigate, prevent, treat, diagnose, or cure COVID-19.

Regulatory/Implementation Guidance

- Food and Drug Administration
 - FDA released updated [guidance](#) regarding blood donor eligibility to address the urgent and immediate need for blood during the coronavirus pandemic.

Articles of Interest

- 4/1 Politico published an article titled, "[Trump hints at using federal programs to provide coverage after Obamacare decision.](#)"
- 4/1 Politico published an article titled, "[Trump considering some domestic air travel restrictions.](#)"
- 4/1 The New York Times published an article titled, "[How U.S. Coronavirus Diagnoses Are Lagging Behind the Outbreak.](#)"
- 4/1 CNBC published an article titled, "[The coronavirus outbreak is a 'real threat to everyone on the planet,' WHO official says.](#)"

- 4/1 Los Angeles Times published an article titled, "[WHO is struggling against COVID-19 and a divided world testing its authority.](#)"

LABOR UPDATE

Congressional

- **House**
 - Ways and Means Republicans published a [blog post](#) summarizing key facts and details of DOL's guidance on paid sick leave for employers and employees of small businesses.
 - Rep. Brady issued a [statement](#) in response to the DOL's weekly unemployment insurance claims report.
- **Senate**
 - Sens. Murray and DeLauro sent a [letter](#) to DOL Secretary Scalia voicing concern about the Department's recently issue guidance on paid leave. They are demanding DOL remove the loopholes in the guidance that allow employers to avoid expanding access to paid leave for workers during the coronavirus outbreak.
 - Sen. Grassley published a [frequently asked questions](#) resource on unemployment insurance in the CARES Act.

Administration

- DOL [released](#) its weekly unemployment insurance claims report. A record number of 6.6 million Americans filed for unemployment during the week ending March 28, more than double the the [roughly 3.3 million seasonally adjusted initial claims](#) the previous week. Until that point, the highest level on record was 695,000 in October of 1982.

SUPPLY CHAIN/CRITICAL INFRASTRUCTURE UPDATE

Please click [here](#) to view a readout of today's CISA COVID-19 call.

Congressional

- Lawmakers are set to introduce two new bills Friday that would establish a national commission to study the national response to COVID-19. Reps. Davis (D-FL) and Katko (R-NY) will introduce the National Commission on COVID-19 Act, while Rep. Davis (R-IL) will introduce the Pandemic Rapid Response Act. Both bills are offered as alternatives to the legislation announced by House Homeland Security Committee Democrats earlier this week.

Please note this daily update may not encompass all public guidance documents on implementation; as such, we encourage you to review public agency websites. Please let us know of any questions.

