



DAILY COVID-19 UPDATE

May 1, 2020

WHAT HAPPENED TODAY

This afternoon, Senate Majority Leader McConnell (R-KY) and House Minority McCarthy (D-CA) issued a joint statement, warning they will oppose any future coronavirus relief bill if it fails to include liability protections for employers.

During a news briefing earlier in the day, White House Press Secretary Kayleigh McEnany announced that the Trump administration plans to distribute \$12 billion to the 395 hardest hospitals across the country.

In addition, six weeks after the nation's first stay-at-home orders were issued, 21 states began relaxing restrictions today. Several other states, including Florida, Missouri, Nebraska and West Virginia, have announced openings starting on May 4.

Late Thursday evening, the Internal Revenue Service issued a notice prohibiting small businesses that receive loan forgiveness through the Paycheck Protection Program from tax deductions that would otherwise be deductible.

Since our last update, the Food and Drug Administration, the Internal Revenue Service, and the Federal Reserve published additional guidance. Please see below for more details.

LATEST PMJ RESOURCES

- [2020 Political Outlook](#)
- [COVID Legislative Tracker](#)
- [COVID State Reopening Tracker](#)
- [Drug Shortage and Medical Supply Chain Tracker](#)
- [COVID-19 Travel Restrictions](#)
- [Global COVID-19 Export Controls](#)
- [Memo - Federal Reserve COVID-19 Announcements](#)
- [Federal Reserve Lending Facilities Deck](#)

ECONOMIC UPDATE

Congressional

- **House**
 - In a [letter](#) to Treasury Secretary Steven Mnuchin and Small Business Administrator Jovita Carranza, House Financial Services Chairwoman Maxine Waters (D-CA) called attention to “irreparable harm” predatory payday lenders have caused consumers and urged the Administration officials to deny them access to Paycheck Protection Program (PPP) loans.
 - Congresswoman Rashida Tlaib (D-MI), member of the House Financial Services Committee, [released a statement](#) to clarify the Federal Reserve’s authority and require it to purchase municipal debt securities to support state, territory, and local government financing during the pandemic.
 - In a [letter](#) to Secretary Steven Mnuchin and Internal Revenue Service (IRS) Commissioner Charles Rettig, House Ways and Means Committee Chairman Richard Neal (D-MA) requests the IRS promptly provide a public briefing on the COVID-19 economic impact payments authorized by the CARES Act.
- **Senate**
 - Senate Finance Committee Chairman Chuck Grassley (R-IA) [reportedly said](#) he was disappointed in the Internal Revenue Service’s decision to prohibit small businesses, who receive loan forgiveness from certain tax deductions.
 - In a [bipartisan letter](#) to Secretary Mnuchin and Small Business Administrator Carranza, Senators Chris Coons (D-DE), Marco Rubio (R-FL), and Ben Cardin (D-MD) urge the agencies to provide an immediate administrative fix to ensure the continued operation of the 7(a) loan program.

Administration

- White House
 - In a [podcast interview](#) with commentator Dan Bongino, President Trump said he is “in no rush” to provide federal assistance to states that are struggling for funding, and Congressional Democrats will have to make concessions if they want grants for state governments.
- Federal Reserve
 - The Federal Reserve (Fed) [announced](#) a rule to extend by 18 months the initial compliance date for certain parts of its single-counterparty credit limit rule.
 - The Fed [expanded access](#) to its Paycheck Protection program Liquidity Facility (PPPLF) to additional lenders, and expanded the collateral that can be pledged.
- Internal Revenue Service (IRS)
 - The Internal Revenue Service (IRS) [released Notice 2020-32](#) stating small businesses that get their loans forgiven cannot take tax deductions for associated wages and other expenses.
 - The IRS [reminded](#) Supplemental Security Income and Department of Veterans Affairs beneficiaries to act by May 5 to receive the full amount of their Economic Impact Payment.
- Consumer Financial Protection Bureau (CFPB)

- The Consumer Financial Protection Bureau (CFPB) [released a report](#) examining the effects of the COVID-19 pandemic, which found that consumer credit applications declined substantially in March.

Articles of Interest

- 5/1 Bloomberg published an article titled, [“Fed Faces Risky, Inflationary Divorce From Treasury Post Covid.”](#)
- 5/1 The Washington Post published an article titled, [“Public companies received \\$1 billion in stimulus funds meant for small businesses.”](#)
- 5/1 The Wall Street Journal published an article titled, [“For Small Businesses With High Rents, Coronavirus Aid Falls Short.”](#)
- 5/1 Politico published an article titled, [“SBA watchdog probes small business loans as scrutiny intensifies.”](#)
- 4/30 Politico published an article titled, [“Fed’s expansion of lending program sparks oil bailout worries.”](#)
- 4/30 The Washington Post published an article titled, [“U.S. officials crafting retaliatory actions against China over coronavirus as President Trump fumes.”](#)

PUBLIC HEALTH UPDATE

Congressional

- **House**
 - Rep. Brown and Sen. Warren [introduced](#) the “Pandemic Response and Interstate Cost Equity Act of 2020” or “PRICE Act” to create a federal price-controlling program on critical COVID-19 equipment to ensure lower prices and guarantee supplies are directed to where they are needed most.
 - 30 House Democrats led by Reps. Jayapal and Kennedy [introduced](#) a bill to extend Medicare coverage to Americans who lose their health insurance because of the pandemic and its economic fallout.
 - Rep. Watson Coleman [introduced](#) a bill to require hazard pay for frontline workers during the COVID-19 pandemic.
 - Reps. Pallone, Eshoo and DeGette sent a [letter](#) to HHS Secretary Azar regarding national contact tracing strategy.
 - Rep. Axne sent a [letter](#) to House committee leaders requesting the next COVID-19 relief package include a number of provisions to support rural health care delivery/system.
 - Ways and Means Republicans published a [coronavirus bulletin](#) titled, “President’s Continued Regulatory Relief Is Helping Medical Providers Defeat COVID-19—Let’s Make It Permanent.”
- **Senate**
 - Sen. Warren and Rep. Schakowsky [introduced](#) the COVID-19 Emergency Manufacturing Act to publicly manufacture personal protective equipment, prescription drugs, and other medical supplies necessary to combat the COVID-19 pandemic.
 - Sens. Perdue, Durbin, Young, and Coons [introduced](#) a bipartisan bill addressing the shortage of doctors and nurses.
 - Sen. Harris introduced [legislation](#) to establish a task force to combat racial and ethnic disparities amid the COVID-19 pandemic.

- 20 Democratic senators sent a [letter](#) to HHS Secretary Azar regarding political interference at the Department in response to COVID-19 pandemic.
- 10 Democratic senators sent a [letter](#) to Senate leaders and appropriators regarding funding for CDC surveillance for emerging threats to mothers and babies program.
- 14 Democratic Senators sent a [letter](#) to Majority Leader McConnell and Minority Leader Schumer requesting \$8 billion for contact tracing in next COVID-19 relief package.

Administration

- White House
 - The White House [released](#) Remarks by President Trump on Protecting America's Seniors.
 - The White House released a [fact sheet](#) titled, "President Donald J. Trump Remains Committed to Caring for Our Nation's Seniors During the Coronavirus Pandemic and Beyond."
 - The White House issued a [proclamation](#) on National Mental Health Awareness Month.
 - The White House issued a [proclamation](#) on Older Americans Month.
- Centers for Medicare & Medicaid Services
 - CMS [announced](#) a new independent Commission that will conduct a comprehensive assessment of the nursing home response to the 2019 Novel Coronavirus (COVID-19) pandemic. The Commission will provide independent recommendations to the contractor to review and report to CMS to help inform immediate and future responses to COVID-19 in nursing homes.
- Food and Drug Administration
 - FDA issued an [emergency use authorization](#) for the investigational antiviral drug remdesivir for the treatment of suspected or laboratory-confirmed COVID-19 in adults and children hospitalized with severe disease.
 - FDA issued [guidance](#) highlighting flexibility under the Drug Supply Chain Security Act (DSCSA). This guidance is intended to facilitate the distribution of prescription drug products needed to respond to COVID-19, including drugs to treat symptoms of COVID-19.
 - FDA [issued](#) a Consumer Update, Helpful Questions and Answers about Coronavirus (COVID-19) and Your Pets, that provides answers to frequently asked questions.
 - FDA [included](#), under the ventilator emergency use authorization (EUA), a ventilator developed by the National Aeronautics and Space Administration (NASA), which is tailored to treat patients with COVID-19.
- Department of Veterans Affairs
 - The VA and its participating medical centers across the country kicked-off [blood drives](#) in late April — partnering with the American Red Cross and community organizations — in response to the ongoing national need for blood during the coronavirus disease 2019 public health emergency.

Articles of Interest

- 4/30 NPR published an article titled, "[Fauci Says It's 'Doable' To Have Millions Of Doses Of COVID-19 Vaccine By January.](#)"
- 4/30 The Atlantic published an article titled, "[The Fragility of the Global Nurse Supply Chain.](#)"
- 4/30 Center for Infectious Disease Research and Policy published a report titled, "[COVID-19: The CIDRAP Viewpoint.](#)"

- 4/30 The Wall Street Journal published an article titled, "[Gilead to Expand Manufacturing of Covid-19 Drug Remdesivir.](#)"
- 4/30 The New York Times published an article titled, "[Labs Across U.S. Join Federal Initiative to Study Coronavirus Genome.](#)"
- 5/1 Washington Post published an article titled, "[Fauci warns states rushing to reopen: 'You're making a really significant risk.'](#)"

LABOR UPDATE

Administration

- Department of Labor
 - DOL's Employee Benefits Security Administration (EBSA) issued [Frequently Asked Questions](#) under the Consolidated Omnibus Budget Reconciliation Act (COBRA) and revised [COBRA model notices](#).
 - DOL is hosting a [national online dialogue](#) on "Opening America's Workplaces Again," to solicit ideas from the public on how best to help employers and workers reopen America's workplaces safely. The dialogue will run from Thursday, April 30 through Thursday, May 7, 2020, and will include a one-hour Twitter chat on Friday, May 1, 2020, at 2:00 p.m. EDT.

SUPPLY CHAIN/CRITICAL INFRASTRUCTURE UPDATE

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

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.