



DAILY COVID-19 UPDATE

May 12, 2020

WHAT HAPPENED TODAY

Today, House Democrats unveiled their highly anticipated coronavirus aid legislation, the [Heroes Act](#) (H.R. 6800). The \$3 trillion package would provide nearly \$1 trillion to state and local governments, \$75 billion for virus testing and contact tracing, another round of stimulus payments for Americans, \$200 billion for hazard pay for essential workers, \$100 billion for schools, and extend \$600 weekly unemployment insurance payments through January 2021, among other things. The House also released a [one-pager](#), [section-by-section summary](#), and a [resource on the state and local relief provisions](#) of the bill. The House is expected to vote on the COVID-19 relief package this Friday.

In a [floor speech](#), Majority Leader Mitch McConnell announced Senate Republicans are preparing a "major package of COVID-related liability reforms to foster our economic recovery. This package...will extend significant new protections to the people who have been on the front lines of the response and those who will be on the front lines of our re-opening."

Yesterday, Treasury Secretary Steven Mnuchin [announced](#) President Trump has instructed him to "step back for a few weeks" and "be very considerate in what we do in the next round before we consider spending another trillion."

Notably, during a [news conference](#) yesterday afternoon, President Trump declared his administration has "[prevailed](#)" on testing for COVID-19. He added that the federal government will be distributing [\\$11 billion in funds](#) from the CARES Act to states to help ramp up testing. Admiral Brett Giroir noted the federal government is going to have "very specific" requirements for states to receive this funding. This includes "minimum numbers to be planned to test" as well as "plans for vulnerable communities" such as nursing homes, disabled populations, prisons, etc.

Since our last update, the Food and Drug Administration, Department of Labor, Small Business Association, and Internal Revenue Service published additional guidance. Please see below for more details.

We have updated our State and Local Finding Bills Chart and Drug Shortage and Medical Supply Tracker. They are linked below under Latest PMJ Resources.

LATEST PMJ RESOURCES

- [CARES Act State Funding](#)
- [State and Local Funding Bills](#)
- [COVID Legislative Update](#)
- [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**
 - Reps. Anna Eshoo (D-CA) and Cathy McMorris Rodgers (R-WA) [announced](#) the *Caring for Startup Employees Act of 2020* to ensure startups can qualify for economic assistance under the Paycheck Protection Program (PPP).
 - House Republicans [released information](#) on individual PPP recipients.
- **Senate**
 - Senate Majority Leader Mitch McConnell (R-KY) [announced](#) Senate Republicans are preparing a “major package” for pandemic related liability reforms, that will include new legal protections for businesses, nonprofits, and government agencies.
 - In a [tweet](#), Senate Republicans reported the PPP has saved 50 million jobs thus far.
 - Senators Roger Wicker (R-MS), chairman of the Senate Committee on Commerce, Science, and Transportation, and Mike Crapo (R-ID), chairman of the Senate Banking Committee, [sent a letter](#) to Treasury Secretary Steven Mnuchin requesting information on the implementation of CARES Act assistance for the air transportation industry.
 - Senators Ron Wyden (D-OR) and Jeff Merkley (D-OR) [sent a letter](#) to 73 Members of Congress urging the lawmakers to include \$11.5 billion in funding for Emergency Solutions Grants (ESG) in next coronavirus relief package.

Administration

- White House
 - In a [tweet](#), President Trump voiced support for negative interest rates.
- Federal Reserve (“Fed”)
 - The Fed [announced](#) additional information regarding borrower and collateral eligibility criteria for the Term Asset-Backed Securities Loan Facility (TALF).
 - The Fed [released](#) the information it will publicly disclose for the TALF and the Paycheck Protection Program Liquidity Facility (PPPLF).
 - According to a [working paper](#) by two economists at the Federal Reserve Bank of San Francisco, job automation could potentially mitigate job uncertainty and severity of a recession caused by pandemics.

- Small Business Administrator (SBA)
 - SBA [published](#) updated P3 balances, and, as of last evening, the total PPP loan level is approximately \$518 billion, with roughly 80 percent of the total program authority remaining.
 - The SBA [published](#) Women-Owned Small Business Federal Contracting program regulations.
- Internal Revenue Service (IRS)
 - The IRS issued [proposed regulations](#) under the Tax Cuts and Jobs Act (TCJA) that provide guidance to taxpayers and governments with respect to fines, penalties, and certain other amounts.

Articles of Interest

- 5/12 The Wall Street Journal published an article titled, [“PPP Changes Trip Up Small Businesses.”](#)
- 5/12 The Washington Post published an article titled, [“Trump’s Go-Slow Path on New Aid Runs Into Rising Pressure to Act.”](#)
- 5/12 The Wall Street Journal published an article titled, [“Consumer Prices Post Biggest Drop Since Last Recession During April Lockdowns.”](#)
- 5/11 The Wall Street Journal published an article titled, [“NY Fed Says It Will Start Buying ETFs.”](#)
- 5/11 Bloomberg published an article titled, [“Mnuchin Says Treasury Sent Money for Fed’s Corporate Loans.”](#)
- 5/11 Politico published an article titled, [“Fed could spend next decade trying to rebuild economy.”](#)
- 5/10 Politico published an article titled, [“Kudlow baffled by Obama’s criticism of Trump administration.”](#)

PUBLIC HEALTH UPDATE

Congressional

- **House**
 - Energy and Commerce Committee Chairman Frank Pallone, Jr. and Consumer Protection and Commerce Subcommittee Chair Jan Schakowsky [applauded](#) the introduction of the Heroes Act in the House of Representatives, which includes their “COVID-19 Price Gouging Prevention Act,” [introduced](#) last month. If enacted, the legislation will protect Americans from price gougers during the COVID-19 public health emergency.
 - Rep. Neal sent a [letter](#) to CMS Administrator Verma urging the agency to exercise caution as it issues guidance for the safe return to non-emergent health care delivery.
 - Rep. Neal sent a [letter](#) to CMS Administrator Verma asking her to prioritize funding to nursing homes and ensure these facilities are using the funds to prioritize staffing and care. This letter follows a previous request from last month where he called on Administrator Verma to stop the rampant spread of COVID-19 in nursing homes.
 - Ways and Means Republicans published a [coronavirus bulletin](#) titled, “Let’s Ensure Hospitals Can Fight Coronavirus Instead of Frivolous Lawsuits.”
- **Senate**

- Sen. Peters sent a [letter](#) to Vice President Pence and HHS Secretary Azar regarding the supply of needles, syringes or comparable delivery devices to quickly immunize millions of Americans once a COVID-19 vaccine is developed.
- Sens. Klobuchar and Smith joined Senate Minority Leader Schumer, HELP Committee Ranking Member Murray, and a group of 40 colleagues sent a [letter](#) to President Trump, calling on the Administration to develop a comprehensive national strategic plan of action to ensure states have sufficient tests to begin safely re-opening.

Administration

- The White House
 - The White House published a [chart](#) outlining how much testing support each state is receiving.
 - The White House issued a [fact sheet](#) titled, "The United States Has Built the World's Leading Coronavirus Testing System."
 - The White House released [remarks](#) by President Trump in a press briefing on COVID-19 testing.
- Food and Drug Administration
 - The FDA took [important actions](#) to help accelerate the development of prevention and treatment options for COVID-19 by providing new guidance with recommendations for innovators and researchers conducting work in this area. These guidance documents aim to make the process for submitting applications to initiate studies for new drugs and biological products more efficient and outline recommendations for ways to design clinical trials to evaluate safety and effectiveness of these medical products for COVID-19.
 - FDA Commissioner Hahn issued a [statement](#) providing an update on surveillance inspections during COVID-19.
 - The FDA issued an [Emergency Use Authorization](#) (EUA) for emergency use of the Fresenius Propoven 2% Emulsion to maintain sedation via continuous infusion in patients older than 16 who require mechanical ventilation in an ICU during the COVID-19 public health emergency.
 - The FDA added content to the question-and-answer appendix in its [guidance](#) titled "Conduct of Clinical Trials of Medical Products during COVID-19 Public Health Emergency."
 - To date, the FDA has issued warning letters to [46 companies](#) for selling fraudulent COVID-19 products, as part of the agency's effort to protect consumers. There are currently no FDA-approved products to prevent or treat COVID-19.
 - The FDA approved two Abbreviated New Drug Applications (ANDAs) that are relevant to COVID-19: (1) [Cisatracurium besylate injection USP 20 mg/10 mL](#) is indicated to facilitate tracheal intubation and to provide skeletal muscle relaxation during surgery or mechanical ventilation. (2) [Azithromycin Tablets USP, 600 mg](#), is indicated for mild to moderate infections caused by designated, susceptible bacteria that cause certain sexually transmitted diseases and mycobacterial infections. Both medicines are listed in the FDA Drug Shortage Database.
 - The FDA updated the [Policy for Coronavirus Disease-2019 Tests During the Public Health Emergency](#). The update includes EUA submission templates for molecular, antigen, and serology tests. Developers may choose to use these templates to facilitate the preparation, submission, and authorization of an EUA for various types of COVID-19 tests.
 - The FDA continues to keep its [COVID-19 Diagnostics FAQ](#) up to date.

- Centers for Disease Control and Prevention
 - CDC released a [Morbidity and Mortality Report](#) (MMWR) titled, "Preliminary Estimate of Excess Mortality During the COVID-19 Outbreak - New York City, March 11-May 2, 2020."
 - CDC released a [Morbidity and Mortality Report](#) (MMWR) titled, "Identification and Monitoring of International Travelers During the Initial Phase of an Outbreak of COVID-19 — California, February 3–March 17, 2020."

Articles of Interest

- 5/11 CNBC published an article titled, "[WHO warns that coronavirus cases have jumped in countries that eased lockdowns.](#)"
- 5/11 NBC published an article titled, "[Unreleased White House report shows coronavirus rates spiking in heartland communities.](#)"
- 5/11 The Hill published an article titled, "[New study finds coronavirus can cut life span by 10 years or more.](#)"
- 5/11 Newsweek published an article titled, "[Anthony Fauci, NIH Director Collins Say We'll Likely Need More Than One Coronavirus Vaccine to End Pandemic.](#)"
- 5/12 CNN published an article titled, "[CDC report says NYC coronavirus death toll may be much higher while nationwide count tops 80,000.](#)"

LABOR UPDATE

Administration

- Department of Labor
 - DOL issued targeted [guidance and reminders](#) that provide states with details regarding required integrity functions for their regular unemployment compensation programs, as well as those authorized by Pandemic Unemployment Assistance, Federal Pandemic Unemployment Compensation and Pandemic Emergency Unemployment Compensation of the CARES Act, in UIPL 23-20.

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.