



DAILY COVID-19 UPDATE

May 19, 2020

WHAT HAPPENED TODAY

Today, Treasury Secretary Steven Mnuchin and Federal Reserve Chairman Jerome Powell appeared before the Senate Banking Committee to testify about the status of CARES Act funds. Secretary Mnuchin [discussed his plan](#) to "allocate the rest" of Treasury funds to support financial markets, businesses, and states. Meanwhile, Chairman Powell defended the efficacy of the Federal Reserve lending facilities while also [noting](#) it may be "necessary for us to do more."

Notably, White House economic adviser Kevin Hassett [stated](#), "it's possible that we will see a strong-enough economy that we don't need a phase four" coronavirus relief bill.

In addition, Senate Minority Leader Chuck Schumer implored Americans not to take hydroxychloroquine as a prophylactic for the coronavirus. His comments followed an [announcement](#) by President Trump that he is taking the anti-malaria drug for COVID-19 because it provides "an additional level of safety."

Since our last update, the Centers for Medicare & Medicaid Services published additional guidance. Please see below for more details.

We have updated our Drug Shortage and Medical Supply Tracker. It is linked below under Latest PMJ Resources.

LATEST PMJ RESOURCES

- [Liability Reform State of Play](#)
- [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**
 - The Ways and Means Committee [announced](#) the Federal Reserve's Municipal Liquidity Facility is operational.
 - House Financial Services Committee Chairwoman Maxine Waters (D-CA) [sent a letter](#) to Federal Reserve Chairman Jerome Powell and Treasury Secretary Steven Mnuchin urging the agencies to ensure the Federal Reserve and Treasury programs and facilities do not support predatory lenders.
- **Senate**
 - Senate Banking Committee Ranking Member Sherrod Brown (D-OH) [sent a letter](#) to Treasury Secretary Steven Mnuchin and Federal Reserve Chairman Jerome Powell urging them to focus on small- and medium-sized business, underserved communities, and improving data collection and transparency.
 - Senator Jack Reed (D-RI), member of the Senate Banking Committee, [introduced new legislation](#) to expand and enhance pandemic unemployment insurance.
 - Senators Bill Cassidy (R-LA) and Bob Menendez (D-NJ) [introduced bipartisan legislation](#) to appropriate \$500 billion in emergency funding to states, counties, and communities.
 - Senators Sherrod Brown, Rob Portman (R-OH), Tom Caper (D-DE), Bob Menendez (D-NJ), and Maggie Hassan (D-NH) [urged health insurers](#) to expedite claims processing and reimburse hospitals and other health care providers for services rendered.
 - Senator Elizabeth Warren (D-MA), member of the Senate Banking Committee, [sent a letter](#) to the Federal Reserve Bank of New York urging it to hold corporate executives personally liable if they fail to meet certification requirements but still take relief funds.

Administration

- Federal Reserve ("Fed")
 - Federal Reserve Chairman Jerome Powell's [testimony](#) before the Senate Banking Committee.
- Treasury
 - Treasury Secretary Steven Mnuchin's [testimony](#) before the Senate Banking Committee.
 - The Congressional Oversight [report](#) released yesterday showed the Treasury [has not yet disbursed](#) any of the \$46 billion Congress allocated for airlines.
- Small Business Administrator (SBA)
 - The SBA released an updated [Paycheck Protection \(PPP\) Report](#).
 - The SBA released updated [Economic Injury Disaster \(EIDL\) Loan](#) data.
- Internal Revenue Service (IRS)

- The IRS [will begin](#) to take telephone calls with questions about stimulus payments.
- Securities and Exchange Commission (SEC)
 - The SEC [will host a roundtable](#) to hear views of investors, other market participants, regulators, and industry experts on the risks of investing in emerging markets, including China.

Articles of Interest

- 5/19 The Wall Street Journal published an article titled, "[Mnuchin Says Treasury Ready to Provide More Money, Take More Risk in Fed Lending Programs.](#)"
- 5/19 The New York Times published an article titled, "[Stocks Waver as Powell and Mnuchin Face Lawmakers.](#)"
- 5/19 The Wall Street Journal published an article titled, "[At Least 30 Public Companies Say They Will Keep PPP Loans.](#)"
- 5/19 The Wall Street Journal published an article titled, "[Next Wave of Coronavirus Stimulus Payments Hinges on Debate Over Reopening Economy.](#)"
- 5/18 Politico published an article titled, "[Trump Mnuchin signal support for easing small business loan restrictions.](#)"
- 5/18 Politico published an article titled, "[Bipartisan commission offers blueprint for Fed, Treasury oversight.](#)"
- 5/18 Politico published an article titled, "[Dems shift coronavirus attacks on Republicans to 'real graveyard.'](#)"

PUBLIC HEALTH UPDATE

Congressional

- **House**
 - Rep. Pallone and Sen. Murray released a [joint statement](#) criticizing the [report](#) on testing and demographic data associated with COVID-19 that the Trump Administration shared with members of Congress last Friday as required by the Paycheck Protection Program and Health Care Enhancement Act.
 - Rep. Rush sent a [letter](#) to CMS Administrator Verma asking her to work with the Federal Trade Commission (FTC) to investigate reports that some nursing homes and assisted living facilities are requiring their residents to sign over their stimulus checks to the facility.
- **Senate**
 - Sens. Menendez and Cassidy introduced legislation to deliver critical, federal resources to states and communities on the frontlines of the COVID-19 fight. The State and Municipal Assistance for Recovery and Transition (SMART) Act targets \$500 billion in emergency funding to every state, county and community in the country, while prioritizing assistance to the areas with the greatest need. These funds can be used to expand testing capacity and contact tracing and provide further assistance to local hospitals, among other things.
 - Sens. Shaheen, Cardin, Van Hollen, Bennet, Brown, and Markey introduced [legislation](#) that would prevent individuals who are collecting enhanced federal unemployment compensation from losing access to financial assistance for the cost of premiums for Affordable Care Act (ACA) marketplace plans.

- Sens. Duckworth, Blumenthal, Markey, Gillibrand, and Kaine introduced [legislation](#) that would create a new fund to provide compensation for injuries to any individual, or their families, who are deemed an essential worker and required to leave their home to perform services and who have become ill or died as a result of COVID-19.

Administration

- The White House
 - White House Physician, Dr. Conley, issued a [memorandum](#) indicating that following several conversations about hydroxychloroquine, he and President Trump came to the conclusion that the "potential benefit from treatment outweighed the relative risks."
 - The White House provided a [readout](#) from the Governors briefing on COVID-19 response and the well-being of all Americans.
- Department of Health and Human Services
 - HHS [announced](#) it will work with a team of private industry partners led by Phlow Corporation of Virginia to expand pharmaceutical manufacturing in the United States for use in producing medicines needed during the COVID-19 response and future public health emergencies.
 - HHS [announced](#) it is delivering \$11 billion in new funding to support testing for COVID-19. CDC will provide \$10.25 billion to states, territories, and local jurisdictions through its Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (ELC) cooperative agreement. The Indian Health Service (IHS) will provide \$750 million to IHS, tribal, and urban Indian Health programs to expand testing capacity and testing-related activities.
 - HHS Secretary Azar [delivered remarks](#) at the World Health Assembly.
 - HHS issued a [statement](#) expressing disappointment on behalf of the U.S. that the World Health Organization (WHO) has decided to exclude Taiwan from the World Health Assembly (WHA), particularly during the COVID-19 pandemic.
- Centers for Medicare & Medicaid Services
 - CMS announced new [guidance](#) that details critical steps nursing homes and communities should take prior to relaxing restrictions implemented to prevent the spread of COVID-19, including rigorous infection prevention and control, adequate testing, and surveillance.
- Food and Drug Administration
 - FDA [announced](#) that it has entered into an agreement with Aetion to collaborate on advanced analytical techniques to answer urgent COVID-19 research questions about the use of diagnostics and medications in the pandemic, and risk factors for COVID-19-related complications in different patient populations.
- National Institutes of Health
 - NIH has launched a [multi-pronged study](#) to understand the effects of the COVID-19 pandemic during and after pregnancy.

Articles of Interest

- 5/18 Politico published an article titled, "[Politics could dictate who gets a coronavirus vaccine.](#)"
- 5/18 The New York Times published an article titled, "[U.S.-China Feud Over Coronavirus Erupts at World Health Assembly.](#)"
- 5/18 The New York Times published an article titled, "[Coronavirus Contact Tracing Jobs Are on the Rise.](#)"

- 5/18 Reuters published an article titled, "[New cases? Deaths? U.S. states' reopening plans are all over the map.](#)"
- 5/19 The Hill published an article titled, "[Texas, North Carolina, Arizona see rising cases as they reopen.](#)"

LABOR UPDATE

Administration

- Department of Labor
 - DOL's Occupational Safety and Health Administration (OSHA) has adopted [revised policies](#) for enforcing OSHA's requirements with respect to coronavirus as economies reopen in states throughout the country.
 - DOL released [updated resources](#) for employers, employees, and states to prevent fraud or misuse in the unemployment insurance system, including the new unemployment insurance programs under the CARES Act.

SUPPLY CHAIN/CRITICAL INFRASTRUCTURE UPDATE

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