Schedules: White House and Congress

WHITE HOUSE

- 9:00am: Vice President Pence leads Coronavirus task force meeting
- 10:00am: President Trump participates in call with airline executives on the coronavirus
- 10:45am: Trump participates in Business Roundtable quarterly meeting teleconference
- 11:30am: Coronavirus task force holds press briefing
- 1:30pm: Trump, Pence participates in call with physicians on coronavirus
- 3:30pm: Trump, Pence participate in briefing with nurses on the coronavirus
- Trump in a tweet Monday said he would hold a news conference to discuss “very important news from the FDA”
  - The admin. is discussing a plan that could amount to as much as $1.2T in spending, including direct payments of $1,000 or more to Americans within two weeks

CONGRESS

- House in recess
- 10am: Senate meets for period of morning business; no votes are scheduled
- Negotiations continue on H.R. 6201, an economic relief plan for the coronavirus that includes free testing, paid leave, food assistance and expanded unemployment insurance
- Senators expect to turn attention to third package of virus legislation
  - Senate Majority Leader Mitch McConnell said he assigned a group of senators to lead task forces tied to third coronavirus relief bill, a broader economic stimulus that could cost more than $1t; task force work will include looking at airline assistance, small business aid

Congressional, Health Policy, and Political News

- **Virus Update**: The White House ordered the federal U.S. government to maximize the use of teleworking and minimize face-to-face interactions, emulating moves by major employers across the globe. European leaders agreed to restrict most travel into the continent in an unprecedented move and German Chancellor Angela Merkel signaled she may be open to joint European Union debt issuance.
Doctors Groups Seek Loss Protections: The groups of doctors, hospitals, and other clinicians that provide coordinated care for beneficiaries of Medicare are urging program administrators to ensure they aren’t held responsible for rising costs related to the outbreak. The country’s 517 provider groups—accountable care organizations (ACOs)—are a primary component of traditional Medicare’s transition from a fee-for-service model to value-based care.

Legal Precedent for ‘Disaster’ Label: Trump has suggested he could designate the coronavirus pandemic a “major disaster,” a move that would open up many more avenues of federal assistance, including funding for health infrastructure. But it’d come with a catch: Never before has a virus been declared a “natural disaster.” Trump on March 13 declared the pandemic a “national emergency,” a designation that offers significant funds for states but includes more restrictions than what is allowed for recovery efforts when a natural disaster strikes.

- A federal declaration of a “major disaster” would allow state and local officials to tap into a wider range of federal assistance programs for individuals and public infrastructure, including funds for both emergency and permanent work. Trump appears to be looking in that direction, even if there is no precedent.

Insurance Coverage: A bipartisan group of senators—Doug Jones (D-Ala.), Bill Cassidy (R-La.), Tina Smith (D-Minn.), and Steve Daines (R-Mont.)—introduced legislation to “require private health insurance plans to cover treatments or vaccines” for the coronavirus with “no cost sharing,” according to a statement. The bill would “allow Americans to rapidly access vaccines for this novel coronavirus as soon as they are available,” according to the statement.

Lawmakers Weigh Response Measures: Meanwhile, the Senate this week is on track to clear the House-passed second coronavirus bill before turning to a bigger response package, but the timing of the vote is still not clear.

- Senate Majority Leader Mitch McConnell (R-Ky.) said at a press conference yesterday he expects an “overwhelming bipartisan vote” on the House-passed bill (H.R. 6201), which would provide free testing and require paid leave from companies with fewer than 500 employees.
- They’ll vote on that bill as quickly as possible, rather than trying to add other provisions to the legislation and send it back to the House, McConnell said.
- Senators may have to jump through some hoops before clearing the House-passed “phase two” bill. McConnell said it’s possible the Senate will give an amendment vote to Sen. Rand Paul (R-Ky.). Paul often asks for a vote on a measure to offset the cost of the legislation in exchange for his support for a unanimous consent request to vote more quickly.

Schumer Unveils Plan: Senate Democrats yesterday unveiled their own $750 billion proposal aimed at buying a “surge” of equipment that’s needed to combat the coronavirus pandemic and bolster the social safety net.

- Included in the legislation introduced by Senate Minority Leader Chuck Schumer (D-N.Y.) is $400 billion of emergency appropriations to boost the number of
hospitals beds in the U.S., expand the availability of medical supplies, and to “ensure affordable care” for people with Covid-19.

- Democrats are also discussing again increasing the federal share of Medicaid spending, a move economists say is helpful in recessions as people lose their jobs. “One other thing we need: as more testing becomes available, the number of confirmed coronavirus cases will inevitably increase, and the strain on our existing public health system will become even greater,” Schumer said on the Senate floor yesterday.

- **Airline Aid Discussed:** Senate Appropriations Chairman Richard Shelby (R-Ala.), Senate Majority Whip John Thune (R-S.D.), and Senate Commerce, Science and Transportation Chairman Roger Wicker (R-Miss.) are working on an airline assistance package for the next coronavirus bill, according to a Senate GOP aide.
  - Shelby opposes “bailouts” and agrees with previous statements by Mnuchin that it’s better to provide liquidity through collateralized lending, Blair Taylor, a spokeswoman for Shelby, said.
  - Meanwhile, Nancy Pelosi (D-Calif.), House Transportation and Infrastructure Chairman Peter DeFazio (D-Ore.), and U.S. airline CEOs agreed on the need “for big, immediate action” after speaking about effects of the coronavirus on the aviation industry, a deputy chief of staff for Pelosi said in a tweet yesterday. Pelosi, DeFazio and CEOs agree “that assistance must put workers’ paychecks and benefits first.”

- **Calls for Remote Voting:** The congressional schedule is at risk by the spreading novel coronavirus, prompting a handful of lawmakers to back a bipartisan House measure that would let members vote remotely if they couldn’t be in Washington. Americans have been told by health officials that the best way to slow transmission of the pandemic is to practice social distancing and limit interactions as much as possible. Lawmakers, including Senate Minority Whip Dick Durbin (D-Ill.) have said they are working counter to that guidance by coming to Washington this week.

- **Checks Can’t Stop Inevitable U.S. Recession:** Trump’s plan to send $1,000 to every American is unlikely to stop a U.S. recession, some economists warn. The stimulus will help replenish bank accounts amid widespread firings, closures and foregone pay, and may help with the eventual economic recovery. But several analysts say even with such sweeping measures the world’s largest economy won’t be able to avoid a contraction.

- **Wall Street Regulators Weigh Response:** The Federal Reserve and other Wall Street regulators are considering changes to leverage limits and accounting rules as they look for ways to free up bank capital in response to the coronavirus crisis, according to three people familiar with the talks. One easily achievable option would be to further delay the impact of a recent accounting rule change for “current expected credit losses,” or CECL. They are also weighing changes to leverage limits.
  - The Fed is facing increasing pressure to go well beyond its crisis-era playbook and dramatically boost its support for the nose-diving economy via new lending programs for businesses and state and local governments. Proponents of the more
aggressive measures argue that the Fed needs to open up the spigots to help offset a coronavirus-driven cash crunch that threatens to force firms to shut down and push state and local finances to the breaking point. Pelosi said she urged central bank chairman Jerome Powell in a phone call yesterday to “explore ways to use the Fed’s authority to assist state and local governments.”

- **Air Traffic Plunges**: The U.S. Transportation Security Administration signaled a dramatic drop in airline passengers, screening about 1 million fewer flyers at U.S. airports, compared with the same period last year. The TSA on March 13 processed slightly more than 1.5 million passengers. By contrast, almost 2.5 million passengers went through airline checkpoints the year prior, according to agency data published yesterday.
  - Flights to Chicago’s Midway Airport resumed last night, ending a temporary halt by the Federal Aviation Administration after technicians who work in the air-traffic control tower tested positive for coronavirus. The FAA switched control to a nearby air-traffic facility, according to an agency flight-tracking website.

- **Shopping Centers Want Relief**: A trade group representing shopping-center owners is urging the Trump administration to provide relief to retailers, restaurants and landlords as the coronavirus pandemic shuts down commerce around the U.S. The government should guarantee or pay for business-interruption coverage, the International Council of Shopping Centers said yesterday in a letter to Trump.

- **White House Tells Agencies to Minimize ‘Face-to-Face’ Work**: The White House instructed federal agencies to curtail “face-to-face” interactions and have their employees conduct “non-mission-critical” work from home or stop doing it, as the U.S. coronavirus outbreak expands. The Office of Management and Budget issued a memo last night ordering all agencies in the government to immediately adjust their operations.
  - “The government must thoughtfully manage all our resources in a way that aligns with our desired outcome of slowing the transmission of COVID-19,” the memo said. “This aggressive posture may affect government operations as agencies work to balance the needs of mission-critical work and greater social distancing.”

- **NY, NJ Warn of ICU Shortages**: The leaders of New York and New Jersey yesterday raised alarms about potentially severe shortages of intensive-care rooms and equipment to deal with a surge in coronavirus cases. New Jersey’s governor requested federal military assistance to deal with shortfalls. New York state will be in desperate need of hospital beds and ventilators soon and may need more than 12 times the existing intensive-care capacity, Governor Andrew Cuomo said.
  - The state is estimating the numbers of cases caused by the novel coronavirus outbreak will peak in 45 days, at which point it will need between 55,000 and 110,000 hospital beds, as well as 18,600 to 37,200 intensive-care unit beds, Cuomo told reporters in Albany. New York currently has 53,000 hospital beds and 3,000 ICU beds available, he said.
- **Navy Ships Could Provide 2,000 Beds**: Two Navy hospital ships could soon provide as many as 2,000 additional hospital beds and hundreds of medical personnel to ease the strain on coronavirus hot spots on the East and West coasts. Defense Secretary Mark Esper said yesterday that the USNS Comfort and Mercy are being prepared for a possible deployment as the virus continues to spread in places such as New York City and Washington state.

- **DOD to Provide 5 Million Masks**: The Defense Department will provide 5 million medical-grade air-filtering masks, 1 million of them immediately, as well as 2,000 ventilators as it steps up its role in the U.S. response to the coronavirus pandemic, Secretary of Defense Mark Esper said. The Pentagon can also make the Navy’s two hospital ships available on the East and West coasts, Esper told reporters. But he emphasized that the ships and other military resources would best be able to treat some trauma cases to make room for coronavirus patients at civilian hospitals that are properly equipped to handle infections.

- **School Superintendents Want CDC Guidance**: A national association of school officials yesterday asked the White House and Centers for Disease Control and Prevention to clarify contradictory federal recommendations to schools. The CDC on Sunday advised against gatherings of more than 50 people although it exempted schools. But on Monday President Trump said groups of more than 10 should be avoided. He also recommended schooling from home.
  - “Given the average classroom is nearly twice the size recommended by the President, and that an individual school often enrolls well more than the CDC-recommended 50-person threshold, school system leaders are rightfully asking, ‘Why are the numbers different, why do the numbers not apply to schools, and what does this really mean for schools?’” said Daniel Domenech, executive director the School Superintendents Association, in a statement.

- **Biden Takes on Mantle of Nominee After Tuesday Wins**: Joe Biden, the all-but-certain Democratic presidential nominee, wakes up to a world and a campaign changed by the coronavirus, a new direction that works in his favor against what will be a blistering general election fight already beginning. Biden has received positive reviews for his efforts to offer himself as a more sure-footed alternative to Trump, who struggled in the early days of the crisis over COVID-19. What voters appeared to disdain early in his campaign -- the steady hand of experience pulling the levers of government in a crisis -- now can be an asset, Biden’s campaign believes.
  - The former vice president has other advantages as well. He is better positioned than some of his vanquished rivals to regain the white, middle-income men in the industrial Midwest who four years ago voted for Trump over Hillary Clinton, even if they were Democrats. In Ohio and Michigan, states that Trump flipped into the Republican column in 2016, polls show Biden leading Trump by several points in head-to-head matchups.
  - But his chief Democratic rival, Sen. Bernie Sanders (I-Vt.), isn’t giving up on the race yet, and his continued presence also helps influence the Democratic platform as the coronavirus crisis gives new currency to his views on health care and economics.
Biden won decisive victories in Florida, Illinois and Arizona yesterday. He won all three states by wide enough margins that he now has a majority of all delegates pledged so far, and more than half of the almost 2,000 he needs to secure the nomination at the party’s national convention this summer.

- **Lipinski Ousted in Ill. House Primary:** Eight-term Democratic Rep. Daniel Lipinski lost the primary for his House seat to Marie Newman, a progressive who was backed by Rep. Alexandria Ocasio-Cortez (D-N.Y.) and EMILY”s List. The race was a re-match of the 2018 primary when Lipinski, an anti-abortion centrist Democrat, defeated Newman 51% to 49%.

- **Fundraiser Secretly Lobbied for Foreigners:** A Los Angeles businessman who served as a top fundraiser to U.S. presidents and members of Congress secretly lobbied for years to advance the interests of an array of foreign governments and people, including a Ukrainian oligarch fighting extradition for criminal prosecution in the U.S., according to prosecutors. Imaad Shah Zuberi funneled millions of dollars in illegal foreign contributions into the campaign accounts of U.S. politicians and hid the source of the funds by making the donations in the name of third parties, prosecutors said in a court filing yesterday.

- **China Kicks Out U.S. Press:** China took the unprecedented step of expelling a group of U.S. journalists from three American newspapers, escalating a wider battle with the Trump administration as the coronavirus pandemic threatens to drag the global economy into a recession. China’s foreign ministry yesterday said U.S. reporters at the New York Times, Wall Street Journal and Washington Post must hand in their media cards within 10 days, calling the move a response to U.S. caps on Chinese media imposed early this month.

- **Union Shutdown Case Appealed:** The National Treasury Employees Union has appealed a judge’s dismissal of its lawsuit challenging the legality of requiring employees to work without pay during the partial federal government shutdown of 2018-2019. The appeal came Monday, the same day U.S. District Judge Richard J. Leon dismissed the union’s lawsuit as moot because the shutdown ended. The union is arguing the lawsuit should continue because a similar shutdown could occur.

- **Lawmaker Works to Keep Asian Carp from Lake Michigan:** A key House appropriator says she hopes to ensure the Army Corps of Engineers receives funding to start a multimillion-dollar project on an Illinois river to prevent the invasive Asian carp from entering Lake Michigan. Rep. Marcy Kaptur (D-Ohio) said she was “incensed” with Trump for refusing to fund the proposed fortification of the Brandon Road Lock and Dam in the Des Plaines River near Joliet, Ill.
  - The project is designed to prevent the carp from swimming downstream into Lake Michigan. But the Corps, which approved the project plans, didn’t request any funds for the project in its fiscal 2021 budget request.
‘Secret Science’ EPA Rule Up: A proposal to expand the scope of the EPA’s much-debated “secret science” rule beyond its use in regulations will be published today in the Federal Register. The underlying rule proposal would prevent the agency from considering scientific studies that aren’t or can’t be made public in rulemaking. The proposed supplement expands the plan so that it would apply to “influential scientific information,” even if that information isn’t used in writing regulations.