Schedules: White House and Congress

WHITE HOUSE

- 11am: Members of Coronavirus task force hold press briefing
- 12:15pm: President Trump receives intelligence briefing
- 1:50pm: Trump departs White House for headquarters of Federal Emergency Management Agency
- 2pm: Trump participates in video teleconference with governors on preparation, mitigation of Covid-19
- 3:20pm: Trump departs FEMA for White House

CONGRESS

- Lawmakers continue work on third stimulus in effort to combat effects of coronavirus
- House Speaker Nancy Pelosi to hold conference call with Democrats today
- Senate meets at noon
- House in recess
- NOTE: Two U.S. House Members Test Positive for the Coronavirus

Congressional, Health Policy, and Political News

- ‘Non-Essential’ Elective Care: The U.S. will issue guidance to hospitals urging them to limit “non-essential” elective medical procedures, CMS’s administrator, Seema Verma, said yesterday. Several hospital associations urged U.S. Surgeon General Jerome Adams on Sunday against such guidance. But Verma said CMS believe that the recommendations “will help surgeons, patients, and hospitals prioritize what is essential.” Verma said her office had the support of physician groups and appealed to “the entire health care community to join us in this effort.”

- Virus Global Update: Italy’s lockdown looks set to continue, France will likely extend a confinement period and Britain could tighten restrictions on citizens. European cases now exceed those in China, and Wuhan, the epicenter in the mainland, reported no new infections. Government relief packages reached to at least $1.9 trillion, seeking to blunt the fallout from the epidemic. European Central Bank President Christine Lagarde said the bank has set “no limits” after starting a 750-billion-euro ($820 billion) emergency debt-buying program. Bonds rallied.

- CDC Report Cites Nursing Home Risks: Seattle-area nursing homes—including the Kirkland, Wash., facility that’s been linked to about three dozen deaths in the country—
were likely vulnerable to Covid-19 in part because employees worked while displaying symptoms, according to a report released yesterday by the CDC. Inadequate equipment also likely played a role, as did a delay in recognizing the illness for what it was, according to the CDC’s “morbidity and mortality” report. The findings could shed light how long-term care facilities should respond to the threat the virus poses to their residents.

- **Home Health Agencies Want Medicare to Pay for Phone Visits**: Home health agencies are urging the Medicare agency to cover telephone visits with homebound beneficiaries so that the industry can do more to help fight the new coronavirus outbreak. The Partnership for Quality Home Healthcare, which represents large, multi-state home health agencies, wants the Centers for Medicare & Medicaid Services to cover visits by telephone as a substitute for in-person nursing, said Joanne Cunningham, the partnership’s executive director.

- **Biggest Factory Shutdown Since WWII**: The economic impact of the growing coronavirus outbreak is shifting from service-driven industries like hotels and restaurants to the manufacturing sector on both sides of the Atlantic, leading to a synchronized shutdown of heavy industry that historians and industry experts say is unlike any seen since the 1940s.
  - General Motors, Ford, and Fiat Chrysler announced they will temporarily shut down their U.S. plants in an effort to contain the spread of the coronavirus.
  - But Tesla and GM offered to manufacture hospital ventilators in auto factories shuttered by the coronavirus outbreak, an effort that would echo Detroit’s contribution to Allied powers during World War II.

- **Equity Stakes for Company Aid**: Trump’s top economic adviser, Larry Kudlow, said the administration may consider asking for an equity stake in corporations that want coronavirus relief from taxpayers. “One of the ideas is, if we provide assistance, we might take an equity position,” Kudlow said at the White House, adding that the 2008 bailout of GM was a good deal for the federal government. But Kudlow cautioned that the idea was just one of many, and that the ultimate form of the coronavirus stimulus legislation would depend on what emerged from negotiations with Congress. “This thing is one day at a time.”
  - Kudlow also said the administration could “up the ante” beyond its $1.3 trillion stimulus proposal if the economic impact of the virus is worse than anticipated. “We’ll do whatever it takes,” Kudlow said. Access to credit and even solvency of much of corporate America is top of mind for Wall Street. A backstop could help break the fever that’s gripped equity markets during their fastest descent into a bear market in history.

- **Jobless Claims Set for Historic Jump**: As efforts to contain the virus intensify, the number of Americans filing for unemployment benefits is set for a historic surge. Ohio saw almost 78,000 applications in the three days—about 14 times last week’s total, a state spokesperson said Wednesday. In Connecticut, about 30,000 claims have been filed since Friday, about 10 times the average weekly total, The Hartford Courant reported Tuesday. Illinois has received more than 41,000 claims over the last two days, compared to 4,445 during the same time last year.
Although Trump and Democrats in Congress are promising Americans won’t miss a paycheck if they’re home with coronavirus, a lack of testing means many can’t get a diagnosis, leaving them in limbo.

Fed Starts Emergency Program to Aid Money Market Mutual Funds: The Federal Reserve late yesterday said it was launching a program to support money market mutual funds as alarm over the coronavirus continues to cause strains in short-term funding markets. The Money Market Mutual Fund Liquidity Facility, established under the Fed’s emergency authority, echoes a version that was set up during the global financial crisis. The Treasury Department will provide $10 billion of credit protection. Mnuchin said in a statement the fund would “enhance the liquidity and smooth functioning of money markets, support the flow of credit to hard working Americans, and help stabilize the broader financial system.”

Casinos, Cruise Lines Poised to Get Aid: The biggest casino operator on the Las Vegas Strip weathered the 2008 financial crisis and a gunman’s rampage nine years later that killed 58 and wounded hundreds. But now, with the coronavirus pandemic, MGM Resorts International is asking for help from the federal government. MGM’s chief executive officer, Jim Murren, was among the hospitality-business leaders who met at the White House with Trump. The administration is considering a $1.3 trillion bailout for a range of Americans as the country shuts down to stem the virus’s spread.

Trump Resists Tariff Relief: Hardly a day goes by without businesses calling on the White House to suspend tariffs on Chinese imports in an effort to help them stem the growing challenges faced by the coronavirus. Yesterday, Americans for Free Trade, a group of over 160 business associations urged Trump to consider relief from duties as one of the emergency measures his White House is rolling out. Hours later, the president publicly slashed those hopes. “There’s no reason to do that. China is paying us billions and billions of dollars in tariffs,” he said in a news conference. “I can’t imagine Americans asking for that.”

Clean-Fuel Standards: Some U.S. oil refiners are preparing to urge the Trump administration to postpone a government-mandated shift to cleaner burning, summer-grade gasoline as they brace for a dramatic downturn in fuel demand due to the pandemic. Starting on June 1, the Environmental Protection Agency forces retail fuel stations in many parts of the country to sell only low-volatility gas to minimize air pollution during warmer summer months. But as the virus pulls drivers off the road, refiners are feeling worried.

Supply of Medical Equipment: Hospitals and health equipment manufacturers may get an emergency influx of hundreds of millions of dollars, part of the latest effort to halt the coronavirus. Senate Minority Leader Chuck Schumer (D-N.Y.) is calling for a “Marshall Plan for our public health infrastructure” that would spend $400 million in part to increase capacity in hospitals and purchase medical supplies. Lawmakers in both parties said they expect funding for public health to be included in what is likely to be a $1 trillion stimulus package poised to reach the Senate floor as early as next week.
Separately yesterday, Trump signed a new executive order that gives the federal government broad powers to direct the production and distribution health-care equipment like protective gear and ventilators if the outbreak in the U.S. gets far worse. The executive order gives HHS Secretary Alex Azar priority over contracts with private companies. His department could also get control over how needed health-care equipment gets distributed.

It’s not clear how extensively the government would use the powers outlined in the broadly-written order, or whether companies would start legal objections if they disagreed. In a tweet following the signing of the order, the president said it would be used for a “worst-case scenario,” and hopefully wouldn’t be needed.

- **Melania Trump in PSAs:** The White House is working with broadcast networks on commercials designed to tell Americans how to protect themselves from the coronavirus, including social distancing measures. The commercials will feature first lady Melania Trump and members of the president’s coronavirus task force including coronavirus response coordinator Deborah Birx and National Institute of Allergy and Infectious Diseases Director Anthony Fauci. The ads will address personal hygiene and mental health.

- **CDC Report Cites Nursing Home Risks:** Seattle-area nursing homes—including the Kirkland, Wash., facility that’s been linked to around three dozen deaths in the country—were likely vulnerable to Covid-19 in part because employees worked while displaying symptoms, according to a report released yesterday by the Centers for Disease Control and Prevention. Inadequate equipment also likely played a role, as did a delay in recognizing the illness for what it was, according to the CDC’s “morbidity and mortality” report. The findings could shed light how long-term care facilities should respond to the threat the virus poses to their residents.

- **Injectables to Hit Markets Faster:** Low-cost, emergency injectable drugs could be on the horizon as the pandemic continues. HHS yesterday launched a public-private partnership to help the nation’s repository of emergency health supplies fill and finish hundreds of millions of pre-filled syringes. The syringes are aimed at responding quickly and efficiently to widespread health emergency outbreaks such as the current coronavirus pandemic, HHS said. Americans may see results within six months, according to the agency.

- **Young People Are Falling Seriously Ill:** New evidence from Europe and the U.S. suggests that younger adults aren’t as impervious to the novel coronavirus that’s circulating worldwide as originally thought. Despite initial data from China that showed elderly people and those with other health conditions were most vulnerable, young people — from twenty-somethings to those in their early forties — are falling seriously ill. Many require intensive care, according to reports from Italy and France. The risk is particularly dire for those with ailments that haven’t yet been diagnosed.

- **Amazon Confirms First Case in U.S. Warehouses:** Amazon revealed an employee working at one of its Queens, N.Y. shipping facilities has contracted Covid-19, the first infection
reported in a U.S. delivery network that’s become a lifeline of essentials for consumers sheltering at home. Amazon temporarily closed the warehouse near LaGuardia Airport -- sending workers home with full pay -- so it can be cleaned and sanitized. The confirmed case was in an Amazon “delivery station,” much smaller than a so-called fulfillment center where thousands of employees work with robots to pack and ship orders. Amazon did not disclose how many people work at the Queens facility.

- **Trump Pitches ‘Wartime President’ for 2020**: Trump declared himself a “wartime president” yesterday, his latest attempt to influence public perception of his handling of a coronavirus outbreak that is swiftly reshaping the presidential campaign. It came on the same day that the stock market nearly erased all the gains since Trump was inaugurated. The Dow Jones Industrial Average has lost more than 30% of its value in just over a month, putting the rally that began on Election Day in jeopardy. The S&P 500 fell as much as 9.8% yesterday before a late-session bounce, and bonds tumbled around the world.
  
  - A strong American economy has always been Trump’s primary case for re-election and he has often touted the rising stock market as a sign of his success. But that argument is gone now with the fallout from the Covid-19 pandemic. The shift to military language to describe his administration’s battle against an “invisible enemy” is a tougher sell, especially following his struggle to get the initial response to the coronavirus right, including weeks where he sought to downplay its severity. But it is one that fits his natural approach to campaigning.

- **Sanders Supporters Have No Plans to Relent**: Progressive activists say they have no intention of easing pressure on Joe Biden to adopt their left-of-center causes as he shifts to the general election, despite fears among Democrats that their efforts could damage Biden’s ability to beat Trump.
  
  - In all but defeating Sen. Bernie Sanders (I-Vt.) for the nomination, Biden has been cool to the most progressive ideas at the heart of Sanders’s campaign, including Medicare for All and the Green New Deal to fight climate change. Biden won a string of recent primaries by drawing an explicit contrast with Sanders, saying voters “don’t want a revolution, they want results.” Now, Biden needs those predominantly younger and more liberal Sanders supporters if he’s going to win in November -- and the leaders of some progressive groups say Biden must do more to earn their full backing.

- **Wisconsin Sued Over Extending Voting**: The Democratic National Committee and Democratic Party of Wisconsin filed a lawsuit to extend a deadline for voter registration and mailing absentee ballots for the April 7 primary. Yesterday was the deadline for online and mail-in voter registration in the state. The suit seeks to extend it to April 3, according to a release. It also urges state election officials to allow more time for mailing in absentee ballots while suspending ID rules for registration.

- **Weld Drops 2020 Bid**: Former Massachusetts Gov. Bill Weld (R) has dropped his longshot bid to challenge Trump for the Republican nomination. In a statement announcing he would
suspend his campaign yesterday, Weld had a few parting thoughts on the need to battle climate change and the importance of America’s immigrants, among other issues. He doesn’t mention the coronavirus outbreak or the economic crisis it’s sparked, but does take a strong stance against deficits as economists across the political spectrum are urging the federal government not to hold back on spending in order to slow the worsening conditions caused by responses to the coronavirus.

- **Virus Impacts N.Y. Election Rules**: New York on Wednesday moved up the deadline for candidates to file petitions to run in state and federal primary elections because of the coronavirus outbreak. New York Gov. Andrew Cuomo (D) signed into law a measure requiring candidates to submit their petitions by Friday instead of by April 2.

- **Child Separation Count May Never Be Known**: Department of Homeland Security personnel did not accurately count and record data during its family-separation policy, a failure that may never be remedied, the Government Accountability Office found in a new report.
  - The DHS personnel “have not accurately and consistently recorded family units and separations” during or after the so-called “zero tolerance” policy was in effect, the GAO stated. The GAO reviewed a sample of cases and found that 60 percent of the family separations examined in the sample were not properly documented. “It is unclear whether Border Patrol has accurate records of all separated parents and children,” the report found.
  - House lawmakers rebuked the administration over its policy and implementation. “It’s pretty damning that we may never have a full accounting of how many children were or remain separated – and that Border Patrol still may not be properly tracking families,” Rep. Bennie Thompson (D-Miss.), chairman of the Homeland Security Committee, and Rep. Zoe Lofgren (D-Calif.), who heads the Judiciary Committee Immigration and Citizenship Subcommittee, said in a joint statement.

- **U.S. Visa Service Suspended**: The State Department said yesterday it is suspending routine visa services in most countries because of the coronavirus outbreak.

- **Vought Tapped as Permanent OMB Chief**: Trump nominated deputy budget director Russell Vought to head the White House’s Office of Management and Budget, a position Vought has held in an acting capacity for more than a year. The vacancy was created after Trump announced on March 6 that acting Chief of Staff and OMB Director Mick Mulvaney would become U.S. special envoy for Northern Ireland, while Rep. Mark Meadows (R-N.C.) would become his new chief of staff. Mulvaney as OMB chief joined the White House as acting chief of staff, yet retained his OMB title. In practice, however, Vought handled the day-to-day operations of OMB.

- **Europe Moves Closer to Meeting Trump Demand on Defense Spending**: The North Atlantic Treaty Organization said Europe moved closer last year to meeting a defense-spending target championed by the U.S., a trend that could ease transatlantic tensions as the
world battles the coronavirus pandemic. The military budgets of NATO’s European member countries and Canada increased to 1.57% of gross domestic product on average in 2019 from 1.52% in 2018, the alliance said in an annual report released on Thursday in Brussels.

- With Canada’s outlays unchanged at 1.31% of GDP, European nations led by Germany produced the boost toward the 2% goal for NATO nations as a whole. German defense expenditure expanded to 1.38% of GDP last year from 1.24%, according to the alliance.