Schedules: White House and Congress

WHITE HOUSE

- 11:45am: Members of coronavirus task force hold press briefing
- 1:30pm: Trump has lunch with Sec. of State Mike Pompeo
- 3:45pm: Trump participates in call with small business owners on coronavirus response

CONGRESS

- Senate convenes Friday at noon with no votes scheduled
  - Trump’s chief liaison with Congress, Eric Ueland, has said Mnuchin, other admin. officials to work with senators from both parties Friday, throughout weekend
- House in recess

Congressional, Health Policy, and Political News

- **McConnell Unveils Senate GOP’s Stimulus Package**: The centerpiece of the measure is tax rebates to individuals of $1,200 and $2,400 for married couples. Rebates are completely phased-out for taxpayers with incomes exceeding $99,000 for individuals or $198,000 for a couple.
  - The legislation also provides $208 billion worth of loans for companies suffering due to the coronavirus pandemic, including $58 billion for the airline sector and $150 billion for other distressed areas of the economy. Another $300 billion is aimed at helping smaller businesses.
  - McConnell said he would immediately engage in discussions with Democrats, whose votes will be needed in both the Senate and House to pass the legislation and get it to President Donald Trump for his signature. “These are urgent discussions,” McConnell said. “The Senate is not going anywhere until we take action.”
  - Pelosi and Schumer said in a joint statement that they would demand that any compromise legislation put its emphasis on workers and small businesses. They called for a big boost in unemployment insurance and the Medicaid health insurance program for the poor and other ways of “putting money directly into the hands of those who need it most.” Then, in another statement, they said, “We are beginning to review Senator McConnell’s proposal and on first reading, it is not at all pro-worker and instead puts corporations way ahead of workers.”
  - In addition, the proposal would impose restrictions on executives’ pay and other caps often sought by Democrats. As a condition of getting assistance under the bill, companies have to agree to cap executive compensation at 2019 levels for two years.
Executives would also be barred from receiving severance or a “golden parachute” packages that’s worth more than twice their total compensation in 2019.

- Conditions also come on the $58 billion in loans to airlines the package would provide. Passenger carriers would get $50 billion in loans and loan guarantees, while cargo haulers would be eligible for $8 billion. In dollar terms, the total package matched the request made on Monday by Airlines for America, the trade group for large carriers. However, the industry had sought half of the $58 billion as grants with the remainder in loans. The Senate proposal includes no provision for direct grants.

- The package would also provide community health centers an added $1.32 billion and would lift Medicare “sequestration” payment cuts this fiscal year, among other provisions. Such payment cuts to hospitals and doctors would slash more than $15 billion from Medicare payments in fiscal 2020. Ending those payment cuts was among the top requests made by hospital groups, who argued that U.S. health-care providers are losing as much as $1 million every day due to the coronavirus outbreak.

- The stimulus also proposes that Medicare give hospitals an added payment for caring after Covid-19 patients that amounts to a 15% bonus, and would allow for boosting telehealth services for Medicare patients at some health centers and rural clinics during the health emergency. It would also waive a requirement for face-to-face visits between dialysis patients and doctors. It would bolster some Medicare home-care services as well.

- Also in the stimulus package, borrowers could defer payments and interest on federal student loans for up to six months without penalty. The proposal would let students who leave college as a result of the new coronavirus keep money from Pell Grants and student loans and waive requirements that colleges return Title IV funds for those who drop out.

- **Coverage Without Cost-Sharing:** The Trump administration clarified it will not take enforcement actions against health insurers for not imposing cost-sharing for coronavirus care in catastrophic plans that normally require high payments before claims are covered. The Department of Health and Human Services “will not take enforcement action against any health insurance issuer” that “amends its catastrophic plans to provide pre-deductible coverage for services associated with the diagnosis and/or treatment of COVID-19,” the agency said in guidance yesterday.

- **Mnuchin and Pelosi Are Most Pivotal Duo:** Pelosi and Mnuchin have forged the most important relationship in Washington, as the nation’s lawmakers frantically work to stop an economic collapse precipitated by the coronavirus outbreak. While the pair hashed out legislation last Friday to provide Americans with free testing for the virus and paid sick leave, they joked that they had managed two phone calls between them in the same time it took Trump to hold a news conference in the White House Rose Garden. Mnuchin quipped to Pelosi that he can’t control how long his boss spends in front of a microphone.

- The occasional laugh aside, Pelosi isn’t negotiating the U.S. response to the outbreak with Mnuchin because they’re friends. The Treasury secretary has become the House speaker’s primary connection to the administration because he’s earned her trust,
according to people familiar with the matter -- and also because the president doesn’t want to talk to her. Trump’s relationship was broken beyond repair after the Democratic majority in the House impeached him on Dec. 18. He believes she betrayed assurances he wouldn’t be impeached, according to two people familiar with the matter.

- The partnership between Pelosi and Mnuchin will be tested in the coming days, after Democrats immediately objected to McConnell’s economic stimulus plan.

**Groups Lobby for Relief:** America’s biggest trade groups are clamoring for $2 trillion in relief measures from Washington to address the economic fallout of the coronavirus -- but their demands exceed by far an already hefty stimulus measure proposed by Republican senators.

- McConnell’s measure calls for tax rebates to individuals and loan packages and tax breaks for businesses. That’s on top of two previous aid packages -- one for about $8 billion and the second, according to independent estimates, that will amount to about $100 billion.
- The breadth of industries seeking bailouts from the federal government has left Trump and lawmakers with tough choices on which industries to rescue and how much aid to offer. The proposal seems destined to kick off a race for whatever money becomes available as groups representing beleaguered industries, including hotels, airlines, restaurants, manufacturers, hospitals and others lobby the White House and Congress for loans, grants and unemployment assistance for workers who lose their jobs.

**Virus-Related Paid Leave:** The Labor Department will issue new regulations to implement emergency paid sick and family leave requirements under the newly enacted coronavirus relief package, according to an internal email. Cheryl Stanton, who heads the DOL’s Wage and Hour Division, emailed staffers yesterday with a synopsis of the agency’s plans to carry out the law. The law provides certain workers impacted by the virus with two weeks of paid sick leave and 10 weeks of partially paid family leave to care for a child.

**Record Coronavirus Trials:** A possible Covid-19 vaccine’s record-breaking pace to a clinical trial could become the new normal as researchers begin looking for vaccines even before new infections break out. The potential is there to shatter the decade-long timeline to develop new vaccines, making health professionals more nimble in the face of evolving threats. And it could have happened sooner if the investment in studying SARS and MERS didn’t dry up after those outbreaks went away, scientists said.

- The first clinical trial started March 16 for a candidate vaccine to protect against SARS-Cov-2, the virus that causes Covid-19. An actual vaccine won’t be ready for another 12 to 18 months, but the announcement marks a new record in moving to human testing for a disease that nobody knew existed just a few months ago.
- National Institutes of Health vaccine researcher Kizzmekia Corbett told National Institute of Allergy and Infectious Diseases Director Anthony Fauci it would take around 100 days to move into a clinical trial once scientists received the genetic sequence from their Chinese counterparts in January. They did it in 66.
• **Murray Requests Probe Into HHS Testing Delays**: Senate Health, Education, Labor, and Pensions Committee ranking member Patty Murray (D-Wash.) asked the HHS watchdog to investigate delays in development and deployment of coronavirus tests. In a letter yesterday, Murray asked the HHS inspector general to launch a probe to “understand where HHS has erred in this process and implement lessons learned.”

• **Engineers of 2009 Auto Bailout Say Rescue Should Be Bigger**: The U.S. government should apply the lessons learned in the 2009 financial bailout and scale them up for the current crisis -- but with stricter terms for the largest, healthiest companies, according to members of the team that led the last industry bailout. “There are certainly lessons learned from 2008 and 2009 that should hopefully help the people who are trying to solve the problem this time,” said Steve Rattner, who was the so-called czar for the Obama administration’s $50 billion auto industry bailout. “What’s going on in Washington is pretty constructive in the sense that everybody understands the problem is of unbelievable magnitude and they’re going to do whatever it takes.”

• **School Assessments**: The state affiliates of the national school superintendents association told lawmakers yesterday that more flexibility is needed for federal assessment requirements as campuses deal with the impact of the coronavirus. Education Secretary Betsy DeVos said last week she would grant targeted one-year waivers for school testing and several states have since sought to postpone or forgo testing as campuses have shut down. State superintendent groups said in the letter that lawmakers should give DeVos the authority to expedite statewide waivers for school tests.
  - The American Council on Education, the top higher education lobby group, also asked Congress for emergency measures in response to the coronavirus. ACE asked for special aid to students through the Pell Grant program and access to low interest capital for colleges facing a cash crunch because of school shutdowns. The group is also seeking $7.8 billion to support online lectures and flexibility for federal regulations.

• **Public Transit Seeks Aid**: Public transit agencies are seeing ridership plummet and higher costs on coronavirus response efforts and need $16 billion in “direct emergency funding,” the industry’s trade association said. “Without these funds, the overwhelming majority of public transit agencies will be required to either drastically curtail services or suspend services altogether,” said Paul Skoutelas, president of the American Public Transportation Association. The trade group estimates the outbreak will result in $14 billion reduction in fare and sales tax revenue across agencies.

• **Rental Car Firms Seek Relief**: Rental car companies Hertz, Avis, and Enterprise have asked the Treasury Department to include their industry in federal plans to rescue U.S. travel companies ravaged by the coronavirus. The three companies’ CEOs made the request in a letter to Treasury Secretary Steven Mnuchin. They described their industry as critical to U.S. transportation infrastructure and said they would “sustain grave harm” as airlines cut back
on service. Hertz, Avis and closely held Enterprise asked Treasury to consider providing zero-interest loans, tax deferrals and relief from fees paid to airports.

- **Lobby Groups Win Lockdown Relief:** The powerful U.S. Chamber of Commerce and other trade groups won new guidance from the federal government outlining exemptions to virus lockdowns that could send many employees back to work -- and risk exposing them to the spreading coronavirus pandemic. The chamber, which is the biggest lobbying spender in Washington and a major force in Republican politics, had urged Trump in a letter Wednesday to declare nearly two dozen categories of businesses and services to be “essential.” A division of the Department of Homeland Security identified many of those industries as critical in an advisory yesterday.

- **Trump Oversells Breakthroughs:** A hospital ship that can’t yet sail, a drug that’s not approved for coronavirus, a windfall of masks that’s not due until next year. Trump has repeatedly overstated his government’s accomplishments as he tries to calm Americans and fight the spread of coronavirus. In news conferences intended to explain the government’s actions to a public that’s practically stopped engaging in social interactions or large swathes of the economy out of fear of the virus, the president has sold incremental steps as major breakthroughs, tentative moves as final and long-term measures as immediate relief.
  - The coronavirus outbreak has rapidly become the biggest crisis of Trump’s presidency, straining both the nation’s health care system and its economy just months before the president must stand for re-election. As of this week, Trump has declared himself a “wartime president,” shifting abruptly from minimizing the threat of the virus and endorsing massive government spending to combat its fallout. But with his new, more activist approach has come misstatements.

- **Virus Drug Can Kill In Just Two Grams:** The drug touted by the Trump as a possible line of treatment against the coronavirus comes with severe warnings in China and can kill in dosages as little as two grams. China, where the deadly pathogen first emerged in December, recommended the decades-old malaria drug chloroquine to treat infected patients in guidelines issued in February after seeing encouraging results in clinical trials. But within days, it cautioned doctors and health officials about the drug’s lethal side effects and rolled back its usage. This came after local media reported that a Wuhan Institute of Virology study found that the drug can kill an adult just dosed at twice the daily amount recommended for treatment, which is one gram.

- **Trump’s Call With Governors Shows Confusion:** Trump’s video conference with state governors yesterday was meant to highlight coordination among the nation’s top elected officials as they fight the coronavirus outbreak. Instead, it illustrated their differences. The call, which Trump held at FEMA headquarters in Washington in front of reporters, often demonstrated the confusion around federal, state, and local efforts to combat the growing pandemic. State leaders underscored the stakes by warning they faced federal obstacles in expanding critical care facilities, problems with rolling out the widespread virus testing the White House has promised for weeks, and fears that state coffers were rapidly depleting,
o The governors told the president that after he suggested they seek their own medical supplies earlier in the week, suppliers had canceled orders with state governments for a better deal: competing bids from the federal government.

o Meanwhile, the Federal Emergency Management Agency is stepping up its role on coordinating the government’s overall response to the pandemic, while the HHS will continue to lead the health and medical response. In a tweet, FEMA said it’s leading the federal coordination on behalf of HHS and the White House in response to Covid-19. FEMA said its coordination center was active and that it was readying more than 50 teams to deploy across the U.S. to activate emergency operations centers.

• **WHO Adopts Ebola Test Method:** The World Health Organization is taking the drug-testing approach that helped curtail Ebola’s latest resurgence and using it against Covid-19. At least 10 countries including France, Spain, and Switzerland agreed to join a trial called “Solidarity” the international agency is coordinating, simultaneously testing four therapies by pitting them against one another. The strategy is designed to speed up a process that can take years as doctors scour laboratories for promising treatments against the new illness.

• **Senators Sold Stock After January Briefings:** Four U.S. senators sold stock after receiving sensitive briefings in late January about the emerging threat of the coronavirus, sparking concerns that they put safeguarding their private finances before their duty to protect public health.

  o Sens. Richard Burr (R-N.C.) and Kelly Loeffler (R-Ga.) both completed their sales at a time when the Trump administration and GOP leaders were downplaying the potential damage the virus might cause in the U.S. and before drastic stock-market plunges set off by the pandemic. Burr is chairman of the Senate Intelligence Committee, which receives frequent briefings about threats facing the country, and has experience responding to public-health crises. Loeffler is married to the chairman of the New York Stock Exchange. Two other members of the Intelligence Committee, Sens. Dianne Feinstein (D-Calif.) and James Inhofe (R-Okla.) also sold stock after the briefings, according to financial records.

• **Sunrise Movement Claims Wins on Green New Deal Candidates:** Sunrise Movement and other Green New Deal backers are touting some early success in Democratic primaries—and even a narrow loss in Texas—as evidence that their ambitious climate platform remains potent for voters ahead of the 2020 election. Illinois challenger Marie Newman’s upset victory over Democratic mainstay Rep. Dan Lipinski (D-Ill.) in the state’s March 17 primary was the first big win of the year, according to the Sunrise Movement. The group has focused on the Green New Deal as a climate legislative agenda.

• **Connecticut Delays Primary:** Connecticut has delayed its April 28 primary until June 2 in response to the coronavirus pandemic, Gov. Ned Lamont said. Lamont (D) said he made the
decision in the interest of public health, joining five others: Georgia, Kentucky, Louisiana, Maryland, and Ohio. More are likely to follow. The CDC recommended postponing gatherings of more than 50 people for the next eight weeks to curb the outbreak. The White House has recommended avoiding gatherings of more than 10.

- **Florida’s State Races May Use ‘Jungle’ Primary:** Florida would open its primaries for state legislative, gubernatorial, and cabinet races to all voters, regardless of their party affiliation, under a proposed amendment to its constitution. The Florida Supreme Court approved the language of the proposal to appear on the state’s Nov. 3 ballot with a 4-1 opinion yesterday. Florida currently holds closed primaries for all state races, meaning only voters who are registered as Republicans or Democrats can cast ballots.

- **Deportation Actions Walked Back:** A day after the Immigration and Customs Enforcement said it would limit deportations during the coronavirus pandemic, a Trump administration official seemed to walk that back. ICE said Wednesday that it would “temporarily adjust its enforcement posture” during the Covid-19 crisis to focus on criminals involved in child exploitation, drugs, and gangs. But in a series of tweets yesterday, Ken Cuccinelli, acting director of U.S. Citizenship and Immigration Services, said the adjustment in policy had been misreported by the media and that the shift “does not mean that no other removable aliens will in fact be removed.”

  - House Homeland Security Chairman Bennie Thompson (D-Miss.) criticized ICE for the about-face, saying that the country’s efforts to combat the coronavirus outbreak “will be severely undermined because immigrants will understandably be too afraid to reveal themselves to public authorities even if they experience symptoms of COVID-19.”

- **Trump Plans Virtual G7:** Trump will hold this June’s Group of Seven meeting by video conference rather than hosting world leaders at Camp David as countries grapple with the pandemic, the White House said yesterday. “In order for each country to focus all of its resources on responding to the health and economic challenges of COVID-19,” White House spokesman Judd Deere said yesterday in a statement, the G7 summit “will now be done by video-teleconference.”

- **Federal Grant Rules Relaxed:** The White House is giving recipients of federal grants more flexibility because of the coronavirus pandemic, allowing agencies to extend some grants and waive some reporting requirements. The flexibility as laid out in the memorandum from the Office of Management and Budget is similar to relaxed rules given to programs directly working on Covid-19 research and response. It’s the latest of a number of measures OMB has taken in recent days to loosen bureaucratic requirements during the public health emergency.

- **Latin America Forum Sees Venezuela Showdown:** The election for the head of a Latin America democracy watchdog has effectively turned into a test of the popularity of Trump’s hard-line policy against Venezuelan President Nicolas Maduro. The Organization of
American States, based in Washington, is scheduled to choose its secretary general in a session at 11 a.m. today. Luis Almagro, the U.S.-backed incumbent who has repeatedly called Maduro a dictator, is seeking another five-year term. His opponent, Maria Fernanda Espinosa, a former Ecuadorean foreign minister, counts countries seeking a less confrontational approach to the Venezuelan regime such as Mexico and Argentina as her top backers.