

American Nephrology Nurses Association

Daily Capitol Hill Update - Friday, April 17, 2020

(The following information comes from Bloomberg Government Website)

Schedules: White House and Congress

WHITE HOUSE

- 2pm: President Trump receives intelligence briefing
- 4pm: Trump holds call with faith leaders on economy
- 5pm: White House coronavirus task force holds press briefing

CONGRESS

- Talks continue on the next stage for an economic rescue package even as a crucial aid program for small businesses ran out of money

Congressional, Health Policy, and Political News

- **Mnuchin, Democrats Far on Stimulus Deal:** Democratic leaders and Treasury Secretary Steven Mnuchin remained far from a deal on the next stage of an economic relief package, even as a major aid program for small businesses has run out of money.
 - The two sides, including staffers for Speaker Nancy Pelosi (D-Calif.) and Senate Minority Leader Chuck Schumer (D-N.Y.) are set to talk again today, and a Senate pro forma session April 20 is the next scheduled opportunity to act if there's a breakthrough. But chances of that are dwindling: Any action on a deal would require unanimous consent, and both chambers of Congress aren't scheduled to return to Washington until May.
 - Senate Majority Leader Mitch McConnell (R-Ky.) said there has been "absolutely no progress" on replenishing funding in the past week. "I hope our colleagues will come around soon," McConnell said on the Senate floor yesterday.
 - Mnuchin wants to add \$251 billion to the \$349 billion small business program, known as the Paycheck Protection Program. Schumer and Pelosi have insisted on some changes to the program, as well as another \$250 billion for hospitals and state and local governments.
 - Schumer and Pelosi spoke with Mnuchin again yesterday afternoon, and talks are ongoing, according to a statement released last night by a Schumer spokesperson.
- **Help Sought for Senior Communities:** Sens. Chuck Grassley (R-Iowa), James Lankford (R-Okla.) and 25 others called on federal agencies yesterday to "ensure that long term care facilities occupied by seniors, as well as those with intellectual and developmental disabilities, receive adequate resources in fighting the coronavirus pandemic," according to a statement. They urged Azar in a letter to not "overlook the residents and staff within nursing homes" and other communities when developing guidelines for the Public Health and Social Services Emergency Fund.

- **FDA Calls on Survivors to Donate Plasma:** The FDA is encouraging recovered Covid-19 patients to donate plasma to facilitate the development of and access to convalescent plasma, a treatment that the agency claims has the potential to lessen the severity or shorten the duration of illness caused by the coronavirus. Convalescent plasma is an antibody-rich product made from blood donated by people who have recovered from the disease caused by the virus. Convalescent plasma could also be used to produce hyperimmune globulin, which could also be used to treat Covid-19 patients.
- **Hospitals Weigh Resumption of Elective Services:** Hospitals across the nation are laying out plans to return to normal operations, restarting elective surgeries and other lucrative procedures put on hold by the outbreak. Some hospitals are seeking to be among the first wave of the economy to open back up after weeks of focusing largely on caring for coronavirus patients and keeping other patients away. This shift has cost the hospital industry billions of dollars in revenue and resulted in the loss of roughly 100,000 health care jobs since March, according to Labor Department figures released yesterday.
- **U.S. to Lead Global GDP Contraction:** Few countries in the world have been spared from the devastating economic consequences of the coronavirus outbreak. But no economy will have a bigger impact on global growth than the U.S. The leader in confirmed Covid-19 cases, the U.S. is expected to account for 31% of this year's decline in worldwide gross domestic product, according to calculations using International Monetary Fund data. That's more than twice the country's share of global output. Overall, the IMF forecasts the global economy will contract 3%, the most in almost a century, before soaring almost 6% in 2021.
- **SBA's Response Was Swift, But Not Smooth:** Congress handed the colossal task of quickly getting \$349 billion in pandemic relief for mom-and-pop firms to a small, understaffed federal agency that was overwhelmed from the program's start.
 - Yet, after a glitch-plagued beginning, the Small Business Administration managed to approve applications and guarantee all the loans in just 13 days, dwarfing its previous record of \$30 billion spread out over an entire year. With the funds now tapped out, many businesses remain in the cold, while some that received loans are still wondering when money will move into their accounts.
 - Questions remain about the handling of loans, including potential inequities between states -- for example, why Texas got more than California, according to the most recent figures available -- and whether the rapid pace at which money is being approved raises questions about the potential for fraud.
 - Congress is debating adding an additional \$250 billion to PPP, and small business advocates are calling on lawmakers to add more money for the disaster loan program as well. About 100 members of Congress signed a letter yesterday to SBA Administrator Jovita Carranza with concerns about the EIDL program, saying they would strongly back a request for more funding. House Minority Leader Kevin McCarthy (R-Calif.) told reporters he supports adding money to the program, and a Senate Democratic bill floated last week included money for it.
 - Senate Minority Leader Chuck Schumer (D-N.Y.) and Speaker Nancy Pelosi (D-Calif.) spoke with Treasury Secretary Steven Mnuchin yesterday afternoon, and talks are ongoing, according to a statement released last night by a Schumer

- spokesperson. Democrats wants changes to the small business loan program, as well as more funding for hospitals and state and local government.
- Meanwhile, local and state governments renewed calls for federal support. At least \$250 billion for local government relief is needed from Congress, the National Association of Counties, National League of Cities and the U.S. Conference of Mayors said yesterday in letters to Congress and the Trump administration. Three Democratic governors from Michigan, Wisconsin and Pennsylvania in a letter to Trump backed a bipartisan call from the National Governors Association for \$500 billion to support the states during the crisis, in addition to funds for local governments.
 - States will likely opt out of extending the full swath of federal pandemic relief to their businesses, as they face shuttered state houses and potentially limited benefits. The federal tax code changes in the latest stimulus law are meant to help businesses suffering from economic upheaval during the pandemic. Included in the package was a temporary increase of the tax code Section 163(j) limit on deductions for business interest payments to 50% from 30% of adjusted taxable income.
- **Lag in Relief Oversight Risks Repeat of Berry Martinis:** The last time Congress disgorged billions of dollars to treat a national emergency, some of the money went to an evening reception for housing counselors who enjoyed strawberry shortcake martinis and were served from a carved beef station. Such questionable spending would be a plum target for watchdogs charged with monitoring the \$2 trillion coronavirus relief voted by Congress. But first they'll have to be assigned to the job. Three weeks after Congress set the spending in motion, and with money beginning to flow to thousands of businesses and millions of households, there's little progress on naming overseers for the cascade of spending.
 - Congress is out of town until next month, while a congressional panel that is to have five members limps along with one appointee, who has no staff and can wield little more than a Twitter account. Trump has signaled hostility to oversight, sidelining the inspector general named to monitor all pandemic spending, and clashing with Democrats over how much independence to grant the overseers.
 - The head of the Senate panel overseeing Federal Reserve and Treasury Department efforts to boost the U.S. economy urged the agencies to provide "quick" guidance to the market on the terms and eligibility for federal pandemic relief. Senate Banking Chairman Mike Crapo (R-Idaho) also reminded the two agencies in a letter released yesterday of the disclosure requirements under the stimulus enacted last month that empowered them to disburse billions of dollars into the U.S. economy reeling under the coronavirus.
- **Restart of U.S. Economy to Hinge on Mexico, Canada Help:** What if Mexico and Canada don't have the same timetable as the U.S. in mind for reopening the economy? Manufacturers in sectors ranging from chemicals to electronics have suppliers across the continent's national borders. The automotive industry, which halted operations weeks ago to protect workers from the Covid-19 pandemic, is also contemplating how to reboot in North America. Much of the uncertainty about timing revolves around Mexico, which so far has taken an even stricter approach than the U.S. and Canada in the way it's designated essential businesses allowed to still operate during the health crisis.

- **Customs Panel Calls to Delay USMCA:** An advisory panel for U.S. Customs and Border Protection is the latest group to ask Trump administration trade officials to delay the start date of the U.S.-Mexico-Canada Agreement to allow the auto and other industry groups more time to prepare for new rules. The Commercial Customs Advisory Committee says the coronavirus pandemic and the economic downturn make it difficult to meet these requirements before early next year.
- **Airline Loyalty Assets Could Be Collateral:** The U.S. Treasury Department is in talks with some airlines about accepting their loyalty programs as collateral against government loans to help them weather the coronavirus crisis. Other assets are also in play, including some international flight routes, planes, engines, airport gates and spare parts, according to people familiar with the negotiations, who requested anonymity because the matter is private. Applications are due today for the \$25 billion loan program, the second round of U.S. funds made available to airlines.
- **Lawmakers Want Loans for Food Suppliers:** Food service distributors such as US Foods and Gordon Food Service delivering critical supplies during the coronavirus pandemic should get priority for federal loan applications, a bipartisan group of 33 lawmakers said in a letter to Trump. The Treasury Department manages \$500 billion in emergency relief for “severely distressed” industries under the third Covid-19 stimulus package. Lawmakers said the department should weigh difficulties food service distributors face as they adjust to shifting markets.
- **China Boosts Virus Death Tally:** China revised its official death count from the coronavirus, adding some 1,290 fatalities from the city of Wuhan, but officials rejected accusations that it has covered up the true scale of the epidemic. The addition boosts the nationwide death toll by nearly 40% to 4,632, the National Health Commission said today, of which the majority come from Hubei province where Wuhan is located. Total confirmed infections rose to 82,692 after Wuhan added 325 cases in the revision, which was reported by state news agency Xinhua.
- **Mask-Maker 3M Joins States to Fight Price Gouging:** With the coronavirus pandemic driving up demand for protective gear, profiteers and unscrupulous middlemen have taken advantage. Now, one of the biggest manufacturers of the products is fighting back. 3M, the maker of the coveted N95 mask that drew criticism from Trump over their availability, filed four lawsuits in the past week against alleged price-gougers in New York, California, Texas and Florida. The firms were seeking to sell 3M respirator masks to the Strategic National Stockpile, New York City government and a California medical center at prices as much as six times the normal cost -- while 3M said it has not increased its prices.
- **Biotechs Are Battling to Make First Good Blood Test:** Antibody tests are at the forefront of a push to assess who has potentially built up some immunity to the new virus, even unknowingly, pinpointing who can probably leave confinement and start rebuilding

shattered economies. But the technology is harder to get right than for basic diagnostics, and new tools have proved unreliable in the U.K. and Spain, raising questions about whether the race to supply them has come at the expense of quality. "Every scientist and his dog is trying to make this test," said James Gill, a clinical lecturer at Warwick Medical School in Coventry, England. "Whichever one is the fastest, whichever one is the cheapest, and whichever one is most reliable will be adopted."

- **Moderna Snares \$483 Million for Virus Vaccine:** Moderna said the U.S. government has agreed to pay as much as \$483 million for the company to develop and test its Covid-19 vaccine now in an initial clinical trial. Under the agreement, the Biomedical Advanced Research and Development Authority, part of the U.S. Department of Health and Human Services, would fund development of the vaccine mRNA-1273 up through approval by U.S. regulators, as well as efforts to scale up manufacturing, Moderna said in a press release. Moderna's Covid-19 vaccine is one of the first to begin human trials. Moderna said that if the trial is successful, it could reach final-stage testing by fall 2020.
- **Most Americans Say Trump Too Slow to Act:** Almost two-thirds of Americans say Trump was too slow to take important steps to address the coronavirus outbreak when cases of the disease were first reported in other countries, according to a Pew Research Center poll. Sixty-six percent said their greater concern is that states lift restrictions too quickly rather than not quickly enough.
- **Biden Says Endorsements Brought Windfall:** Former Vice President Joe Biden told donors yesterday the trio of high-profile endorsements he got earlier in the week has triggered a surge in fund-raising, earning him more money in the last few days than he has received throughout the entirety of his campaign. Biden said his campaign raised \$2.75 million on Wednesday, the day former rival Sen. Elizabeth Warren (D-Mass.) endorsed his campaign and the day after former President Barack Obama did. The day before, Biden said he raised \$2.5 million online, the day after Sen. Bernie Sanders (I-Vt.) endorsed.
- **Grocery Group Gets Record Campaign Donation Fine:** The Washington Supreme Court has reinstated an \$18 million fine against the Grocery Manufacturers Association for violating the state's campaign finance laws. It's the largest such penalty ever assessed by the state. The Washington, D.C.-based trade group, which represents food and consumer products manufacturers, has been fighting the fine since 2017.
- **Democrats Lead Fundraising in Key Races:** Democratic Senate candidates raised more money than Republicans in eight of the 10 most competitive races during the first three months of 2020, another sign that the chamber's majority is in play. The fundraising dominance included contests in which Democratic challengers raised more than Republican incumbents in the quarter ending on March 31, according to reports to the Federal Election Commission: Arizona, Colorado, Georgia, Maine, Montana and North Carolina.

- **House Weighs Allowing Votes by Proxy:** The House will consider letting many members avoid traveling to Washington during the pandemic by arranging for other members to vote for them by proxy. House Rules Chairman Jim McGovern (D-Mass.) proposed this low-tech approach to address worries over health and travel raised by dozens of lawmakers during a call with Democrats yesterday. “A member casting a vote on behalf of another member would be required to have exact direction from that member on how to vote and would have to follow that direction,” McGovern said.

 - Pelosi has given her blessing to the idea, according to her office. McGovern, in his statement, underscored the notion would be only a temporary alternative. The House isn’t scheduled to be back in session until May 4, and both McGovern and Pelosi indicated that absent a unanimous consent agreement, a rule change to allow proxy voting would itself require a vote.
- **GOP Senators Seek FBI Records on Russia-Trump Probe:** Republican Sens. Chuck Grassley (Iowa) and Ron Johnson (Wis.) said in a letter they’re seeking additional documents from FBI Director Christopher Wray from the bureau’s investigation into links between Russia and the Trump campaign. The senators said recently declassified footnotes show reporting in a dossier used to investigate a former Trump campaign aide may have been part of a Russian disinformation campaign.
- **Trump Undermines Curbs on Mercury:** The Trump administration yesterday attacked the legal basis of requirements to capture mercury and other heavy metal pollution from power plants, setting the stage for a court to potentially throw out those mandates altogether. The EPA issued a “supplemental finding” that concludes those Obama-era controls on mercury pollution are too costly to justify and no longer “appropriate and necessary,” years after utilities complied with the requirements by installing scrubbers on coal-fired power plants.
- **Space Force Arming to Jam Russian and Chinese Satellites:** The new U.S. Space Force is building an arsenal of as many as 48 ground-based weapons over the next seven years designed to temporarily jam Russian or Chinese communications satellite signals in the opening hours of a conflict. The first system, made by L3Harris Technologies, was declared operational last month after years of development, and the Space Force has taken delivery of 16. The service is also developing a new system, known as Meadowland, that’s lighter-weight, capable of adding updated software and able to jam more frequencies.

 - Since its formation last year as the sixth branch of the U.S. military, attention has focused on the Space Force’s defensive duty in safeguarding U.S. satellites and on organizational questions about its budget and relationship with the Air Force. Less has been disclosed about its offensive role, which centers on Meadowland.
- **Roger Stone Denied a New Trial:** Roger Stone’s longshot request for a new trial because of alleged juror bias was denied by the judge who sentenced him to more than three years in prison. The widely expected decision issued yesterday by U.S. District Judge Amy Berman Jackson in Washington means Stone may have to report to prison within two weeks. Stone may also appeal within two weeks. Stone, a Republican operative and early Trump booster,

argued he deserved a new trial because the foreperson of the jury that convicted him of lying to Congress and witness tampering in November was a Democrat opposed to the president.