Schedules: White House and Congress

WHITE HOUSE

- 2pm: President Trump takes part in a video teleconference with U.S. governors on coronavirus and the economy
- 4pm: Trump meets with retail industry executives on Covid-19 response
- 5pm: Coronavirus Task Force members hold news briefing

CONGRESS

- Lawmakers aren’t scheduled to return to D.C. until May 4, though negotiations and drafting of the next stimulus measure can take place without most members of Congress in town

Congressional, Health Policy, and Political News

- **Small-Business Relief Program Restarts Today:** The Small Business Administration will restart a government coronavirus relief loan program for small businesses today with an additional $320 billion, after the first round of funding was exhausted in just 13 days. The SBA will resume accepting applications for its Paycheck Protection Program at 10:30 a.m., the agency and the Treasury Department said Friday in a joint release.
  - Agricultural producers, farmers, and ranchers are eligible for small business rescue loans as long as they meet certain requirements, according to new Payroll Protection Program guidance from Treasury and the SBA.
  - The SBA is capping the value of loans individual banks can arrange under a government economic relief program for small businesses that restarts today. The move reflects concerns that the biggest U.S. banks could again dominate the lending and prevent money from getting to the mom-and-pop shops that need it the most. The SBA sent an email to lenders yesterday limiting the maximum dollar amount of loans each bank can issue at 10% of funding authority of the PPP. The goal of the cap is “to ensure equitable access,” according to a copy of the email. It wasn’t clear from the email what the dollar amount of the cap would be.

- **Loans Didn’t Flow to Businesses Most at Risk:** Meanwhile, loans to small businesses through the program haven’t flowed to areas hardest hit by the coronavirus pandemic, according to a new analysis by economists. About 15% of companies in the regions with the biggest declines in hours worked and most business shutdowns received funds from the first tranche of the PPP, according to the paper from researchers at the University of Chicago’s Booth School, Massachusetts Institute of Technology’s Sloan School and the
National Bureau of Economic Research. In congressional districts least affected, firms received double that share.

- **CMS Suspends Doctors’ Loan Program for Grants**: Doctors’ offices, clinicians, and medical equipment suppliers now will receive emergency funds through the recent rescue packages approved by Congress rather than a loan program that requires them to repay the money within a year. CMS said yesterday that it won’t accept applications for its Advance Payment Program, which is typically used to address cash flow issues for health providers other than hospitals when there is disruption in claims submission or claims processing. The CMS will continue to accept applications for loans for its companion program for hospitals, the Accelerated Payment Program, but will reevaluate new and pending requests in light of the direct grant payments already available through the agency’s Provider Relief Fund.

- **Mnuchin Says Rising Budget Deficits to Be Focus**: Treasury Secretary Steven Mnuchin said that “over time” the U.S. will need to look into the sharply rising budget deficits created by the multi-trillion-dollar coronavirus support packages. Right now “we’re in a war,” Mnuchin said on Fox News Sunday. “We’re going to do whatever we need” to support the economy. The good news, Mnuchin said, is that “interest rates are extremely low and we’re locking in long-term rates” at those levels. And he predicted the economy would “really bounce back in July, August and September” as the closures related to stopping the spread of Covid-19 recede.

- **Retailers Call on States to Adopt Uniform Reopening Plans**: The top two trade groups representing major retailers such as Walmart, Target and Best Buy are calling on governors to adopt uniform reopening standards as the pandemic subsides, including allowing warehouses and distribution centers nationwide to reopen all at once, rather than state-by-state.
  - As states, cities, and companies big and small struggle over when and how to restart the economy, the Retail Industry Leaders Association and the National Retail Federation have some ideas. Today, they’re sending a six-page memo to governors outlining a three-phased plan for how stores can maintain public safety once they are allowed to reopen their doors to customers. The guidelines call for stores to have “robust” health and safety protocols in place, including sanitation and social-distancing procedures.
  - Measures include ensuring regular handwashing, use of gloves and face masks to protect customers and employees, in addition to limiting occupancy in some cases “to no more than 5 customers per 1,000 square feet of shopping space,” or half the national fire code requirement.

- **Back-to-Work Math Gets Messy for Americans**: Across America there’s a heated discussion underway about when and how to restart an economy that was put on hold to contain the Covid-19 virus. But the often partisan debate can ignore, or reduce to caricature, what’s become a complicated calculus for millions of Americans suddenly thrown out of their jobs. It involves life and death, economics and family and has left many reluctant to return to work for the time being. It also points to the challenges now facing America’s
policymakers and the sometimes clashing incentives government’s response to the crisis has created.

- **IRS Recalls 10,000 Workers, Told to Bring Own PPE:** The IRS has asked about 10,000 employees to return to work Monday to perform tasks, including opening mail, processing paper tax returns, and taking phone calls. The agency announced the decision in an email sent to employees Friday in which it also told employees they’d be responsible for their own mandatory face coverings until it can procure personal protective equipment, such as masks and gloves.
  - Meanwhile, National Institutes of Health employees were told by director Francis Collins in a call Friday not to expect to return to the agency’s Bethesda, Md. Campus until June, according to a person on the call.

- **Treasury Has Paid $12.4 Billion in Aviation Payroll Support:** The U.S. Treasury said it has paid out another $9.5 billion in funds to the aviation industry under a program designed to shore up carriers reeling from the coronavirus pandemic. Meanwhile, an application form was released on Saturday for loans destined for “businesses critical to maintaining national security,” Treasury said in a statement. Total disbursements so far under the CARES Act have reached to $12.4 billion to 93 air carriers, including major airlines and smaller passenger carriers, Treasury said in its statement.

- **USDA Boosts Effort to Support Meat, Poultry Producers:** The U.S. Department of Agriculture announced it will establish a “coordination center” to help livestock and poultry producers hurt by coronavirus-induced meatpacking plant closures. The USDA’s Animal and Plant Health Inspection Service will offer “direct support to producers whose animals cannot move to market” and work with state veterinarians and other public officials “to help identify potential alternative markets” as plant shutdowns increase, according to a release posted on the agency’s website.
  - The effort comes as almost 1,000 U.S. Department of Agriculture food inspectors, or about 15% of the workforce, are off the job as the coronavirus outbreak left workers sick, quarantined or facing a high risk to health, figures provided by the union showed. About 25% of pork capacity and 10% of beef is now off line, according to the United Food & Commercial Workers, which estimates that at least 13 U.S. plants faced shutdowns.

- **Trump Sued for Denying Checks to Americans Married to Immigrants:** Trump was sued over a provision of the coronavirus relief package that could deny $1,200 stimulus checks to more than 1 million Americans married to immigrants without Social Security Numbers. The suit was filed Friday by an Illinois man using the pseudonym John Doe, who seeks to represent all others in his position. Doe claims a carve-out in the relief package discriminates against him “based solely on whom he chose to marry.”

- **Trump’s Health Priorities Set Aside:** Some of Trump’s top health-care priorities before the coronavirus pandemic, including HIV prevention and paying for patient outcomes rather
than individual procedures, have been swept away by the virus response and may end up permanently sidelined, former administration officials and some leaders of the policy efforts said.

- Many key leaders at the Department of Health and Human Services pushing forward the policies have had to back away to lead the Covid-19 response, and the Office of Management and Budget has limited resources to review and approve rules not related to the pandemic. HHS officials in particular are going to have to pick and choose which policies to prioritize before the end of Trump’s term.

- The timeline of the pandemic is uncertain and could last until the presidential election in November, creating the possibility that none of these policies are finished if Democratic candidate Joe Biden wins.

- **Trump Calls HHS Chief Amid Ousting Rumors**: Trump called HHS Secretary Alex Azar this weekend to say his job is safe after reports the White House may oust the health chief as the administration faces criticism over its coronavirus response. The call, described by a person familiar with the matter, and a Trump tweet yesterday backing Azar came after multiple news accounts saying some officials within the White House had discussed his dismissal and potential replacements. Azar also weighed in on Twitter, praising Trump’s leadership and saying reports he’s about to be replaced are fake. Some officials believe that Azar’s adversaries in the administration are trying to undermine him by promoting a narrative that he’s in trouble.

- **Trump Questions Briefing Effort**: Trump has been determined to talk his way through the coronavirus crisis, but frequent misstatements at his daily news conferences have caused a litany of public health and political headaches for the White House. On Friday, Trump sought to clean up his briefing room riff from the day before about the possibility of fighting coronavirus infection in patients with chemical disinfectant or sunlight -- a dangerous idea that doctors and a manufacturer of cleaning products felt obliged to publicly warn against.

  - By Saturday, Trump suggested the briefings, which have become a televised daily substitute for his campaign rallies, were “not worth the time and effort,” a day after a report that he plans to scale back such appearances. Trump and his coronavirus task force on Friday evening held their shortest news conference yet, at just 22 minutes. He took no questions. There was no briefing this weekend but instead, a series of Twitter messages that returned to familiar targets including the media and Democrats.

  - Deborah Birx, coordinator of the White House Coronavirus Task Force, said Trump understands that disinfectant isn’t a treatment. “It bothers me that this is still in the news cycle,” she said on CNN, in one of three interviews yesterday. “I’ve made it clear that this was a musing” on Trump’s part.

- **No FDA Review for Most Antibody Tests Draws Rebutte**: The Food and Drug Administration has allowed antibody tests that could show if someone has already been exposed to Covid-19 and developed some immunity to be on the market without its review and has yet to take an enforcement action, according to lawmakers. Trump has touted antibody testing as a way to unlock the U.S. economy, and experts say it could be key in
doing so safely. However, there have been reports that current tests could be unsafe or inaccurate.

- The FDA hasn’t assessed the reliability of most of the antibody tests on the market, according to a memo by a subcommittee of the House Oversight Committee released Friday. The Department of Health and Human Services has convened an interagency group to do so, but the program is voluntary. Only seven of the 101 test kits on the market had been submitted as of April 17.

- “Serology testing for coronavirus has the potential to be a critical tool going forward for our nation. Unfortunately, senior FDA and CDC officials admitted that they have not put Americans in the best position to use this tool,” the subcommittee’s chairman, Rep. Raja Krishnamoorthi (D-Ill.), said in a statement. “They have put the public’s health at risk by allowing inaccurate and potentially fraudulent tests to spread unchecked.”

- Meanwhile, catching Covid-19 once may not protect you from getting it again, according to the World Health Organization, a finding that could jeopardize efforts to allow people to return to work after recovering from the virus. “There is currently no evidence that people who have recovered from Covid-19 and have antibodies are protected from a second infection,” the United Nations agency said in a statement on Saturday.

- **White House Turns to Military for Supply Chain Mission:** Supply chains are a fickle beast with a propensity to become unwieldy, presenting industry and government leaders a sobering test of their leadership skills. German military command learned as much in World War II during Operation Barbarossa in western Russia, as did the Romans in trying to sustain their expansive empire.

  - Today, the supply chain is being tested by a global health crisis. The massive effort to mitigate the Covid-19 pandemic and aid Americans sickened by the disease has made supply-chain management a top national security concern of Trump. The Department of Defense is planning to invest $133 million to increase domestic production of N95 masks by more than 39 million over the next three months, DOD spokesman Lt. Col. Mike Andrews said in an April 21 statement. 3M, Owens & Minor and Honeywell received contracts under the long-standing Defense Production Act.

- **Pompeo Seeks Exceptions to WHO Funding:** Secretary of State Michael Pompeo has recommended that the U.S. keep funding World Health Organization programs to fight polio and coronavirus in seven countries, a recognition that the group provides key services in some areas despite Trump’s criticism. State Department officials informed the National Security Council that the WHO is central to the fight against Covid-19 or polio in seven countries: Afghanistan, Egypt, Libya, Pakistan, Sudan, Syria and Turkey, said a person familiar with the discussions. Adhering to the letter of Trump’s order from last week to halt all U.S. funding to WHO for a 60- to 90-day review would therefore be unworkable.

- **Virus Raises Concerns Over Disaster Response:** The Covid-19 pandemic has led emergency preparedness workers to make some changes in how they deal with disasters—
like a series of violent storms that killed dozens of people in the South over the past two weeks. Nineteen tornadoes have hit the state of Mississippi since Easter, Greg Michel, executive director of the Mississippi Emergency Management Agency, said at a briefing on Friday evening. Michel said the state was opening assistance centers in three counties for people who lost phone and internet access.

• **Pelosi Endorses Biden for President:** Speaker Nancy Pelosi (D-Calif.) endorsed former Vice President Joe Biden’s presidential bid today, citing the fellow Democrat’s role in helping to manage the federal response to the 2008 financial crisis and in passing Obamacare.
  - In a video published on Biden’s YouTube page, Pelosi said that the presumptive Democratic nominee “has been a voice of reason and resilience, with a clear path” to lead the U.S. out of the fallout from the coronavirus pandemic.
  - Biden meanwhile called on the Trump Administration to vastly expand the country’s testing capabilities for the coronavirus, including launching a new public health jobs corps of 100,000 people to assist with the testing and contact tracing, as he laid out his vision for safely reopening the economy in a new memo today. In a lengthy plan written by Biden and his public health committee, he criticized the president’s inaction on testing and detailed how the country should expand its capabilities in order to catch a spike in infections before it spreads.
  - Biden also railed against the coronavirus stimulus packages in an interview published Saturday, calling corporate America “greedy as hell” while demanding legislation that includes stricter conditions on business bailouts and more oversight of the Trump administration. In the interview with Politico, Biden said the next stimulus bill should be “a hell of a lot bigger” than the first $2.2 trillion CARES Act and assailed big business and banks.

• **Summers Plays Down Role as Adviser to Biden:** Former Treasury Secretary Larry Summers played down his role advising Biden’s campaign amid an uproar among some progressives over his potential influence on the nominee. “Oh, I wouldn’t over-read things. The vice president and I have been friends for a long time and I’m one of many, many people who his campaign talks to but I don’t have any formal relationship to his campaign,” Summers said Friday.

• **Deutsche Bank Turns Down Bid for Trump Details:** Deutsche Bank has turned down a request by four U.S. senators to release details about the lender’s contacts with the family business of Trump, which asked the bank for leniency on some of its loans. In a letter to Deutsche Bank earlier this month, Sens. Elizabeth Warren (D-Mass.), Richard Blumenthal (D-Conn.), Sherrod Brown (D-Ohio), and Chris Van Hollen (D-Md.) said that contact between the Frankfurt-based lender and the Trump Organization raises “troubling new concerns about the extent to which Deutsche Bank holds financial leverage over the president,” and whether administration officials would offer “regulatory favors” as enticement.
  - On behalf of Deutsche Bank, law firm Akin Gump Strauss Hauer & Feld responded in a letter dated April 21 saying that “there is a critical legal distinction between inquiries conducted pursuant to congressional rules adopted by duly authorized
committees, on the one hand, and informational requests made by individual members, on the other.”

- **Businesses Push to Delay Minimum Wage Hikes:** Business groups are pressuring Democratic officials in several states to postpone planned minimum-wage increases, arguing that embattled businesses can’t afford to give workers a raise as they face the coronavirus-related economic crisis. Virginia, California, Illinois, Michigan and Massachusetts are among the states where small-business advocates and groups representing restaurants, hotels and other industries are urging delays in wage increases agreed to before the outbreak, and its related business shutdowns, began.
  - They’ve had some success, even in states governed by Democrats, showing how fundamentally altered political thinking has become, and how rapidly, as a result of the pandemic-driven downturn. Delaying wage increases, even temporarily, would be a pullback in a long, intensive campaign by progressives to force companies to pay the lowest-compensated workers more.

- **Court Won’t Halt Trump Public Charge Rule:** The U.S. Supreme Court let Trump’s administration keep using a tough test to screen out green card applicants who might become dependent on government benefits, refusing to halt the policy because of the Covid-19 outbreak. With no published dissents, the justices rejected a request from a New York-led group of state and local governments that said emergency Supreme Court intervention was needed to ensure immigrants weren’t deterred from using publicly funded health-care programs and other benefits. The court also rejected a similar motion filed by Cook County, Ill.. The court left open the possibility that a request could be filed with a federal district court.

- **Kim Mystery Grows on Reports of Train:** Speculation about Kim Jong Un’s health intensified over the weekend after tantalizing, yet unverified, reports about a visit by a Chinese medical team and movements of the North Korean leader’s armored train. A prominent South Korea adviser, though, rejected ideas that Kim was ailing or dead. China sent a team including doctors and senior diplomats to advise its neighbor and longtime ally, Reuters reported on Saturday, citing three people familiar with the matter.
  - Meanwhile, a train resembling one long used by North Korean rulers was parked last week near a coastal leadership compound in Wonsan, according to an analysis of satellite imagery released Sunday by the website 38 North.
  - Of all the family members who could eventually take the reins from Kim, his sister seems like the obvious choice. Kim Yo Jong, in her early 30s, has been by her brother’s side at summits with presidents Trump and Xi Jinping, sat behind Vice President Mike Pence while representing North Korea at the 2018 Winter Olympics and became the first immediate member of the ruling family to visit Seoul.

- **Cotton Says Ban Chinese From STEM:** Sen. Tom Cotton (R-Ark.) lit up social media yesterday by suggesting Chinese students shouldn’t be allowed to study science and technology at U.S. universities, and should instead focus on Shakespeare. Cotton deemed it
a “scandal” that China’s “brightest minds” study in the U.S. only to return home “to compete for our jobs, to take our business, and ultimately to steal our property.” He told Fox News that the U.S. needs “to take a very hard look at the visas that we give the Chinese nationals to come to the United States to study.”

- **U.S. Has Gunships Ready to Deliver on Iran Warning:** Even before Trump’s vow to “shoot down” Iranian speedboats if they harass American ships in international waters, the U.S. Navy was bolstering its ability to call in AC-130 gunships and Apache attack helicopters to defend its presence in the Persian Gulf. A practice run for the new tactics on April 15 drew 11 gunboats from Iran’s Islamic Revolutionary Guard Corps that crossed the bows and sterns of American vessels at close range. And that prompted Trump’s tweet on April 22 saying he’d “instructed the United States Navy to shoot down and destroy any and all Iranian gunboats if they harass our ships at sea.”

- **Yemen Separatists Declare Self-Rule:** Yemen separatists have declared self-rule in the country’s south, dealing a major blow to Saudi Arabia’s efforts to end a devastating civil war it fueled in the neighboring nation. A November power-sharing deal between the Saudi-backed administration of President Abd Rabbuh Mansur Hadi and the secessionist Southern Transitional Council supported by the United Arab Emirates had been meant to reconcile onetime allies fighting Iran-backed Houthi rebels who control much of the country.