

American Nephrology Nurses Association

Daily Capitol Hill Update – Tuesday, April 28, 2020

(The following information comes from Bloomberg Government Website)

Schedules: White House and Congress

WHITE HOUSE

- 11am: President Trump meets with Florida Governor Ron DeSantis
- 12:30pm: Trump receives intelligence briefing
- 3pm: Trump delivers remarks on small business paycheck protection program
- VP Mike Pence travels to Minnesota to visit Mayo Clinic virus facility

CONGRESS

- House, Senate to return May 4 as negotiations on next coronavirus aid bill continue

Congressional, Health Policy, and Political News

- **Trump Signals Schools Among First to Open:** Trump suggested that schools might be among the first institutions to reopen given the lower vulnerability of youngsters to the coronavirus. “I think you’ll see a lot of schools open up,” the president said yesterday. “Young people seem to do very well.” Trump said he expected some schools to restart even if there are only a few weeks left in the school year. “Even if it’s for a very short period of time,” Trump said. “I think it would be a good time.”
 - Trump also said a timeline to lift restrictions on travel from Europe depends on how long it takes the region to “heal” from the impact of the virus.
- **Testing Shortages Undermine Drive to Restart:** As Trump has alternated between leading the outbreak response and saying states should figure it out on their own, scenes of fierce competition and uneven access to coronavirus testing and supplies are playing out across America. With more states pushed toward reopening yesterday, experts warn U.S. testing capacity, while improved, remains a fraction of what it should be.
 - Adding to the uncertainty, the Trump administration batted to the states the responsibility for a testing crisis that was months in the making. The White House maintained that stance yesterday even as it advanced its plan to ramp up testing.
 - The announcement was welcome evidence the administration is “taking testing seriously,” though it should have been doing so in February, said Ashish Jha, a physician and director of the Harvard Global Health Institute. “I see this as the first step in the White House finally recognizing what every public health official has known for months. But I worry it’s too little too late.”

- **What to Watch:** Ohio will conclude its primary today, six weeks after the election was delayed by state officials to avoid the spread of the coronavirus. Most votes will be cast through mail-in ballots, which must be postmarked by Monday or delivered to county boards of election by 7:30 p.m. today. There is very limited in-person voting. Any votes cast on or before March 17, the original primary date, will be included in the results.
 - In Maryland's 7th District, former Rep. Kweisi Mfume (D) is favored to win a special election today and complete the term of the late Elijah Cummings (D), who died last October. All voters in the district received mail-in ballots, which must be postmarked on or before today or delivered to a drop box location by 8 p.m. Mfume served in the House from 1987 until 1996, when he resigned to become chief executive officer of the NAACP and was succeeded by Cummings. The Baltimore-area 7th District is overwhelmingly Democratic, giving Mfume the advantage over Republican Kimberly Klacik.

- **McConnell Demands Liability Protections in Next Bill:** Senate Majority Leader Mitch McConnell (R-Ky.) said yesterday the next coronavirus relief legislation must include liability protections for business owners who reopen and indicated he would be open to some aid for beleaguered states. The House and Senate both plan to convene in Washington on May 4 and resume business with the expectation of additional action to respond to the novel coronavirus pandemic that has shut down businesses and thrown millions of people out of work. As some states begin gradually lifting stay-at-home orders and other restrictions, McConnell said that without protection from lawsuits, business owners could end up with years of legal claims over their efforts to restart the economy.

- **Health Insurers Propose Subsidies but Shun Government Coverage:** Health insurers are pushing Congress for more government help in the face of Covid-19 – including near total premium subsidies for people who lose their jobs and stay on their employer-sponsored insurance – but they're steering clear of the next step, full government-sponsored coverage. The insurance industry has pushed back against Medicare for All or a public option to allow people to buy government health plans. They say the private market works better than a government system. But if insurer advocates succeed in their quest to get more subsidies in future pandemic aid packages, it may prove difficult to argue later against more government involvement.

- **OSHA Inspectors Hit 45-Year Low:** As Trump pushes to restart the economy, the federal agency that's supposed to protect employees from workplace hazards has been operating with historically low staffing. The Occupational Safety and Health Administration had only 862 inspectors at the start of the year, the smallest number since 1975, according to a report by the pro-labor, nonprofit National Employment Law Project. The total was down from 952 in 2016 and a historic high of 1,469 in 1980.
 - "They cannot return people to work until they protect workers on the job, and they can't protect workers on the job with voluntary guidelines," the report's author Deborah Berkowitz, who served as OSHA chief of staff under President Barack Obama, said in an interview.

- **Barr Names a Team to Act on Strict Virus Limits:** Attorney General William Barr directed top Justice Department prosecutors to take legal action against state and local officials if their coronavirus restrictions go too far, saying “the Constitution is not suspended in times of crisis.” Barr tapped the head of the department’s civil rights division, Eric Dreiband, and U.S. Attorney Matthew Schneider “to oversee and coordinate our efforts to monitor state and local policies” related to coronavirus and “take action to correct them” if necessary, according to a department-wide directive issued yesterday.
- **New Mexico Mayor Defies Virus Order:** Gun stores and golf courses got the green light to reopen yesterday in one city in New Mexico, where the mayor is bucking state directives that aim to prevent the spread of the outbreak. Grants, population roughly 9,000, at first “played along” with public health orders that shuttered everything but stores and activities deemed essential, Mayor Martin “Modey” Hicks said. The cooperation ended when Gov. Michelle Lujan Grisham (D) said the state would extend the orders until at least May 15, he said. “We’re not doing it no more,” Hicks (D) said yesterday in an interview.
- **U.S. Courts Weigh Reopening:** Federal courts are considering reopening their doors largely shuttered by the pandemic, as some states begin to do the same. The Administrative Office of the U.S. Courts said it had distributed guidance to its constituent courts on how to go about restarting operations. The guidelines will depend “heavily” on the conditions in the communities surrounding those venues. No specific timeline was put forth by the office.
- **U.S. Expansion to See Its End in First-Quarter GDP:** Less than a year ago, the U.S. economic expansion was celebrated as the longest on record. This week its end will become all but official. Commerce Department figures due tomorrow are projected to show gross domestic product shrank at a 3.8% annualized rate from January through March amid the Covid-19 pandemic and government-mandated lockdowns aimed at preventing its spread. Such a decline would be the steepest since just before the last recession ended in 2009.
- **Small Business Loan Relaunch Hits Slowdown Issues:** The Small Business Administration said yesterday a wave of demand for loans from the latest coronavirus stimulus package passed by Congress last week was causing a slowdown of Paycheck Protection Program processing systems. “Currently, there are double the number of users accessing the system compared to any day during the initial round of PPP,” the agency said in a statement. “SBA is actively working to ensure system security and integrity while loan processing continues.” More than 100,000 loans were processed as of 3:30 p.m. ET yesterday after the program re-launched in the morning.
 - Citigroup and US Bancorp were among ten lenders sued for failing to share Paycheck Protection Program loan fees with the lawyers and consultants that prepared applications for small businesses. Three firms sued the banks yesterday claiming they violated the Small Business Administration guidance for the emergency loans by either refusing to pay any so-called agent fees or by only agreeing to pay half the required amount. The banks that have helped distribute the federal emergency loans to help small businesses survive the Covid-19 pandemic

were previously accused of prioritizing larger loans that earn them bigger fees and dealing with their existing clients before others.

- JPMorgan Chase stopped taking new applications from small businesses seeking loans under the PPP before the initiative relaunched yesterday. The bank told customers that it wasn't accepting new applications for the rescue loans because it was trying to work through a backlog of requests already in its pipeline, Jennifer Roberts, chief of the consumer unit's business-banking division, said in a note to clients yesterday, expanding on a message it gave last Thursday.
 - The top lobbying group for the hotel industry said that most of its members could be worse off if they accept loans under the PPP. The American Hotel & Lodging Association -- which had won special consideration for hotels after a last-ditch lobbying campaign -- issued a study yesterday showing that hotel owners could end up with a better cashflow position if they didn't take the loans and closed their doors.
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- **Fed Expands Muni-Debt Program:** The Federal Reserve expanded the scope and duration of the Municipal Liquidity Facility, a \$500 billion emergency lending program for state and local governments enduring the economic fallout from the coronavirus pandemic. The U.S. central bank lowered the population thresholds under which counties and cities would be eligible to sell short-term debt to the facility. The new levels were at least 500,000 for counties and 250,000 for cities, down from 2 million and 1 million. The effort would now cover many of the nation's large cities that were previously excluded, including Atlanta, Miami, Baltimore, Boston and New Orleans, according to Brookings Institution Fellow Aaron Klein, a critic of the original guidelines.
 - Federal Reserve Chair Jerome Powell has already cut interest rates to nearly zero, but he still has to decide if more should be said about how long they will stay there. U.S. central bankers have been busy rolling out emergency lending facilities to provide liquidity to an economy largely shut down by the coronavirus pandemic. It's taken them away from the primary object of their attention in more normal times: deliberating over where to set borrowing costs. Powell and his colleagues on the Federal Open Market Committee still have an important decision to make on that front.
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- **Senators Want Defense Production Act for Pork:** Iowa Gov. Kim Reynolds (R) and Sens. Joni Ernst (R-Iowa) and Chuck Grassley (R-Iowa) are asking for additional resources and powers, including invoking the Defense Production Act, to keep the state's pork production viable amid the coronavirus pandemic. Action is required to "ensure that safe, affordable and abundant food remains available in this crisis," they wrote in a letter to Vice President Mike Pence and members of the coronavirus task force.
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- **Virus Aid to For-Profit Tribal Corporations Paused:** A group of American Indian tribes persuaded a judge to bar the Trump administration -- at least for now -- from doling out coronavirus relief money to for-profit tribal corporations in Alaska. Congress allocated the money, part of the \$2 trillion Cares Act, for "tribal governments" to combat the Covid-19 pandemic. Eighteen tribes sued to challenge Treasury's decision that Alaska native

corporations in Alaska would also be eligible for the cash, stating they feared giving money to the corporations wouldn't leave enough for federal-recognized tribes, including those in Alaska, to address the pandemic. The Alaska corporations, established by Congress in 1971 as part of a settlement with Alaska Natives, own some of the state's largest enterprises and are among its biggest employers.

- **Lawmakers Press on Remote Voting by Proxy:** Senate backers of a plan to allow remote voting in times of emergency announced they are holding a roundtable Thursday to collect input from experts on changing the Senate's voting rules. Sens. Rob Portman (R-Ohio) and Tom Carper (D-Del.), chairman and ranking member of the Homeland Security and Governmental Affairs Permanent Subcommittee on Investigations said they will hold the session to look into remote voting via videoconferencing.
 - The session will examine the possibility of amending the standing rules of the Senate to allow senators to vote remotely during a national crisis. Portman and Sen. Dick Durbin (D-Ill.) are also sponsoring a resolution to allow remote voting if Senate leaders or their designees agree an emergency exists. In such an instance, remote voting would be allowed for up to 30 days and the Senate would have to vote to renew the procedure after that.
 - CNN reported yesterday House Democratic leaders said on a caucus call there will be a vote next week on the plan, whether or not there is a deal with Republicans.
- **White House Nods to Trump Defeat Possibility:** The White House instructed federal agencies yesterday to begin preparations in case Trump is defeated in November and a new president takes office, a routine contingency ahead of the election. Russell Vought, acting head of the White House Office of Management and Budget, issued a memorandum ordering dozens of agencies to appoint a transition director by Friday, in keeping with the Presidential Transition Act. The law helps prepare for the potential inauguration of a new president, but is also "helpful to prepare for leadership transitions that occur between the first and second terms of administrations," Vought said.
- **Sanders Slams New York Primary Cancellation:** New York canceled its June 23 presidential primary in response to the pandemic, citing a state law that permits the vote to be called off if races are uncontested. Sen. Bernie Sanders' (I-Vt.) campaign said the decision was an "outrage" and called on the Democratic National Committee to reverse it. Sixteen states and one territory have delayed votes or moved to mail-only ballots, but New York is the first state to cancel the entire primary.
- **Democrats Seek DeVos DACA Reversal:** Senate Democrats said Education Secretary Betsy DeVos improperly told colleges their undocumented students are ineligible for emergency coronavirus relief and demanded she reverse the decision. Congress last month authorized nearly \$31 billion in relief to colleges and K-12 schools as part of the CARES Act. The stimulus aid included more than \$6 billion in funds for direct aid to college students.
 - Separately, DeVos is launching competitive grant programs offering more than \$307 million in response to the coronavirus crisis. A \$180 million grant program for K-12 schools, announced yesterday, will seek proposals aimed at virtual education. State

education agencies can use the money to provide microgrants to families to pay for classroom technology. Agencies also can use the funds to develop online education programs.

- **Trump Says He Knows About Kim's Health:** Trump said he knows the health status of North Korean leader Kim Jong Un and suggested the world would be hearing additional details "in the not too distant future," but he declined to elaborate further. At a White House news conference yesterday, Trump said he couldn't "tell you exactly" the status of Kim's health, but added that he did have a "very good idea" about his condition. "But I can't talk about it now," he said. "I just wish him well." Speculation about the 36-year-old dictator's physical health accelerated after the Seoul-based news site Daily NK reported April 20 that he was recovering from surgery, citing an unidentified person inside the country.
 - Later, top South Korean officials said they know Kim Jong Un's location, in the strongest remarks yet from Seoul since the North Korean leader disappeared from public view more than two weeks ago. "The government is aware of Kim Jong Un's location" Unification Minister Kim Yeon-chul said when asked directly in a parliamentary session, without elaborating. Asked separately if South Korea informed Trump of Kim Jong Un's whereabouts and condition, Foreign Minister Kang Kyung-wha clarified that Trump was aware of Kim Jong Un's condition but not his location.