Schedules: White House and Congress

WHITE HOUSE

- 11:45am: President Trump receives intelligence briefing
- 1:45pm: Trump participates in a phone call with state, local and tribal leaders on coronavirus response measures
- 2:30pm: Trump participates in call with faith leaders
- 5pm: White House coronavirus task force briefing

CONGRESS

- House, Senate out
  - Democrats are seeking at least $500b in next stimulus package, House Speaker Nancy Pelosi and Senate Democratic leader Chuck Schumer said today in joint statement

Congressional, Health Policy, and Political News

- **Aid to Health Care Providers Coming This Week**: CMS Administrator Seema Verma said at a White House press briefing last night $64 billion in aid will be released to health care systems this week alone. Verma said $30 billion of that money will be grants with no strings attached from the $100 billion in funds for hospitals designated in the third coronavirus stimulus package passed last month.

- **Treating Uninsured Could Soak Up 40% of Fund**: The Trump administration’s plan to reimburse hospitals for treating uninsured patients with Covid-19 could consume more than 40% of the $100 billion fund lawmakers authorized to help hospitals, the Kaiser Family Foundation said in a report yesterday. It comes as the White House is under fire from Democrats and health-care advocates for not reopening HealthCare.gov to get more uninsured people covered in the face of the outbreak.

- **Psychotropic Prescriptions in Nursing Homes**: A bipartisan lawmaker group called on the HHS inspector general for a “review of the use of psychotropic and antipsychotic drugs in nursing facilities” across the country. Their request raises “decades-old concerns” that there are “insufficient safeguards” in place to “protect against the unnecessary or inappropriate prescription of these drugs.” The investigation is being sought by Senate Finance Chairman Chuck Grassley (R-Iowa), ranking Democrat Ron Wyden (Ore.), House Ways and Means Chairman Richard Neal (D-Mass.) and ranking Republican Kevin Brady (Texas).
Recession Risk at 100%: The novel coronavirus has spurred what will likely be the worst recession in generations as the U.S. economy grinds to a halt and millions lose their jobs. The chance of a recession now stands at 100%, confirming an end to the nation’s longest-running expansion. While much of the economic data that feed into the model continues to lag, filings for unemployment benefits — which are reported with less than a week’s delay — saw an unprecedented increase at the end of March. About 10 million jobless claims were filed in the last two weeks of the month, underscoring a sharp deterioration in the once-vibrant labor market.

Relief Lands at Some Small Firms: At least some small businesses have begun receiving funds under an ambitious Trump administration effort to blunt the coronavirus pandemic’s economic fallout, though lenders continued to report technical glitches and mom-and-pop firms complained they still couldn’t get loans. The launch of the U.S. Small Business Administration program to distribute $349 billion in aid to small business owners, which enters its sixth day today, has been fraught with a barrage of applications, a lack of clear rules and an overwhelmed system that froze on Monday, meaning that no one could process loans for hours.

- The clock is ticking for millions of business people who have been forced to close under shutdown orders and face laying off employees and possibly going under in a matter of weeks or even days.

Trump Praises Banks for Small Firm Aid: Trump yesterday praised some of the country’s largest financial firms for pledging to take new steps to help small businesses disrupted by the coronavirus. Trump heralded their plans as he hosted a video conference with leaders of banks including Goldman Sachs, Bank of America, Citigroup, and JPMorgan Chase. The participants, top executives from the five biggest U.S. banks and two of the largest payment networks, touted their efforts to help affected businesses and consumers — pointing to capital devoted to small business loans, an assortment of waived fees, and loans and grants to community development financial institutions. Still, lenders reported some glitches in connecting to the Small Business Administration to get loans approved for small businesses.

Banks Blame U.S. Rules for Snarling Loans: U.S. banks, facing criticism for prioritizing existing customers over new ones who are seeking coronavirus rescue loans, put the blame on federal rules meant to catch terrorists and money launderers. The lenders, who have been getting beaten up by small businesses and lawmakers alike, have urged a little-known agency charged with monitoring suspicious financial transactions, the Financial Crimes Enforcement Network, for relief from the stringent regulations. But their requests have gone unheeded for now.

Direct Stimulus Pay to Small Businesses: Senate Finance Committee ranking member Ron Wyden (D-Ore.) said he hopes to provide direct federal government payments to small businesses, similar to those being provided to individuals and families, in a fourth coronavirus relief package. “We’re going to come out and push for direct cash assistance,”
Wyden said. “I think they ought to get a check for a modest amount,” in addition to the bridge loan or grant aid already being provided, he said.

- **K-12 Groups Want $200 Billion:** Kindergarten through 12th grade schools need over $200 billion in emergency federal aid to weather the impact of coronavirus, education groups including the two national teachers’ unions told congressional leaders. Lawmakers provided about $13.5 billion for the schools in the stimulus package signed last month, but education groups argue schools need assistance on the same scale as the 2009 American Recovery and Reinvestment Act.

- **University Research Groups Seek $26 Billion:** The shutdown of laboratories on university campuses has put the future of the U.S. research enterprise at risk, several higher education groups including the Association of Public and Land-grant Universities and Association of American Medical Colleges told congressional leaders in a letter yesterday. The groups asked lawmakers to help maintain the research workforce until operations return to normal on most campuses and support the cost of ramping up work again when labs can resume operations. They asked for $26 billion in additional funding for major research agencies including the National Institutes of Health, the National Science Foundation, NASA, and others.

- **Chamber Wants to Resolve Patchwork of Virus Orders:** The U.S. Chamber of Commerce is calling for a greater focus on establishing a uniform, international approach to determine which businesses and industries should be deemed “essential” during the coronavirus pandemic. State and local governments in the U.S. have power to set their own restrictions on which businesses are spared from mandatory-closure orders, in some cases making decisions based on nonbinding guidance the Department of Homeland Security issued last month.

- **Congress Urged to Delay Utility Shutoffs:** Congressional leaders were urged to include at least $12.5 billion in stimulus funding to help people struggling to pay their water and sewer bills. Pelosi already has indicated she supports a bill to help families who can’t afford to pay water and sewer bills. Democrats and a group of environmental, social justice, and labor groups wrote separate letters to congressional leaders seeking assistance for local water and sewage utilities that are losing revenue from suspending shutoffs and forgiving debts.

- **‘Do Your Job’ Pence Tells Food Workers:** Just hours after a labor union reported what may be the first poultry-worker deaths associated with the coronavirus in the U.S., Vice President Pence urged American food workers to continue to “show up and do your job” and said their work was vital. The Retail, Wholesale and Department Store Union that represents thousands of poultry-processing workers across the southern U.S. reported that two members at a Tyson Foods facility in Camilla, Ga., died from the virus.
**Trump Floats Hold on Funding for WHO:** Trump said he is considering putting a “hold” on U.S. funding for the World Health Organization after the agency “blew it” by failing to sound the alarm sooner about the virus. “I’m not saying I’m going to do it, but we’re going to look at it,” Trump said at a White House briefing yesterday.

- Congress allocated about $123 million to the WHO for fiscal 2020. Earlier in the briefing Trump called the Geneva-based international body “very China centric.” He added that the WHO was wrong to advise against the travel restrictions that were imposed on China earlier this year. “They are always on the side of China, but we fund it,” Trump said. “So we want to look into it.”

**Behavioral Health Groups Seek $40 Billion:** A collection of mental health and addiction treatment groups called on the federal government to set aside $38.5 billion in the next stimulus package for behavioral health organizations enrolled in Medicaid. The groups, led by the National Council for Behavioral Health and American Society of Addiction Medicine, want funds for community behavioral health organizations in the next coronavirus stimulus bill.

- The groups argue that, while billions were pumped into the health care industry in the previous coronavirus bill, nothing was allocated specifically for behavioral health organizations, which “are battling two emergencies,” said Paul H. Earley, president of ASAM. In addition to the pandemic itself, behavioral health groups are seeing an “explosion of patients in crisis as a result of isolation, anxiety and economic distress,” he said in a statement.

- Trump Thursday plans to speak to leaders and advocates from mental health organizations to discuss resources and tools that “we’ll make available to them—they need help,” the president said in a White House press briefing yesterday. “We must also ensure that our country can meet the mental health needs of those struggling in this crisis,” he said.

**Trump Administration Puts VA Workers At Risk, Union Claims:** The Trump administration is requiring veterans’ hospitals and federal prison employees who’ve been exposed to the coronavirus to go to work without a 14-day quarantine, putting them at risk, a union representing the workers said. In a pair of complaints filed yesterday to the Labor Department’s Occupational Safety and Health Administration, the American Federation of Government Employees, which represents 260,000 employees at Veterans Affairs, said the government was failing to follow its own guidelines to slow the spread of the virus.

**Biden Says Damage Could ‘Eclipse’ Great Depression:** Joe Biden said the economic recovery from the coronavirus would likely be the “biggest challenge in modern history,” suggesting it could surpass what the country faced after the Great Depression. “I think it may not dwarf, but eclipse what F.D.R. faced,” Biden said last night in an interview with Chris Cuomo on CNN, referring to President Franklin D. Roosevelt. But Biden, the front-runner for the Democratic presidential nomination, said the recovery efforts would create an opportunity for the next president to address the nation’s longstanding structural problems.
Wisconsin Voters Forced To Wait at Polls: Wisconsin voters defied stay-at-home orders and waited for hours to cast ballots in the first state to hold an in-person election since the coronavirus pandemic shut down most public spaces. Although at least a dozen states have delayed primaries or switched to vote-by-mail since the outbreak, similar attempts by Wisconsin’s Democratic governor, Tony Evers, were stymied by Republican opposition and rulings from the conservative majorities on the state and U.S. Supreme Courts. The election led to renewed calls among congressional Democrats for national legislation to address the pandemic’s effects on voting. It’s likely that there will be court challenges to the results, which in a twist, won’t be announced until Monday.

- “An election that forces voters to choose between protecting their health and casting their ballot is not a free and fair election,” House Administration Chairwoman Zoe Lofgren (D-Calif.) said in a statement.
- Meanwhile, Texas Democrats are suing to try to spare voters from being forced to go to the polls during a pandemic, like in Wisconsin. Gov. Greg Abbott (R) already postponed a runoff election to July 14, from May 26, as part of the state’s efforts to mitigate the spread of the coronavirus, but the Democrats say that’s not enough and concerns will remain through the November general election. The complaint says the state has no given relevant guidelines for who can vote by mail during the current crisis.

Leaders Call for Remote Voting Options: Bipartisan leadership of the House Problem Solvers Caucus, made up of 25 Democrats and 25 Republicans, called on Speaker Nancy Pelosi (D-Calif.) and House Minority Leader Kevin McCarthy (R-Calif.), to consider remote options for lawmakers, including voting by telephone, video conference, or voting machines in district offices. Most members have returned to their districts due to the coronavirus pandemic. They said they want House leadership to use technological options to allow them to vote remotely.

- “Governments around the world, including England and Japan, have deployed these options, and are voting from home,” the caucus wrote. House leadership has not backed a rules change to enable remote voting to date, the letter says.

Trump Forced by Oil War Into Push for Higher Prices: Trump is trying to do something no U.S. president has dared to do in decades: Drive up the price of oil. For more than three decades, U.S. presidents proclaimed cheap fuel as an almost God-given right for American motorists and homeowners, shaping the country’s foreign policy in pursuit of lower prices. As president, Trump didn’t just back cheap crude, he was its biggest supporter, frequently attacking OPEC and celebrating the shale boom’s deliverance of “energy dominance.”

- Now, the Russia-Saudi price war and a killer pandemic have caused prices to plunge, putting Trump in the awkward position of begging those same countries to turn off the taps, even though retail gasoline will become more expensive as well. The U-turn comes as America has gone from being the top importer of oil to the top producer, aligning its interests more closely with Saudi Arabia and Russia in a shift that holds the potential to reverberate through foreign policy for years to come.
• **Deficit at $741 Billion in First Half of 2020:** The federal deficit was $741 billion in the first half of fiscal 2020, $50 billion more than in the first half of fiscal 2019, according to initial estimates by the Congressional Budget Office. The effects of the coronavirus did not affect the figure significantly, but some revenue effects will likely become apparent later this month because the tax filing deadline was delayed from April until July, the report said. But the virus response did lead to a $3 billion boost in March spending by the Labor Department, in part because of increases in unemployment benefits, the report said.

• **Lawmakers Seek Explanation on Trump’s IG Firing:** Senate Finance Chairman Chuck Grassley (R-Iowa) is drafting a bipartisan letter demanding that Trump explain his firing of the intelligence community inspector general whose handling of the whistleblower complaint about Ukraine led to the impeachment inquiry. Their letter will reiterate the importance of inspectors general and state that the law requires the president to give more information to Congress on his decision to remove Michael Atkinson, according to a person familiar.
  o Grassley in a statement also praised the work of acting Department of Defense Inspector General Glenn Fine, who was ousted by Trump yesterday days after being chosen to lead a team of auditors to oversee $2 trillion in federal coronavirus relief spending. At a White House briefing yesterday, Trump said, “I don’t know Fine. I don’t think I ever met Fine.” Democrats were also quick to praise Fine and criticize the move, with Senate Minority Leader Chuck Schumer (D-N.Y.) stating “President Trump is abusing the coronavirus pandemic to eliminate honest and independent public servants because they are willing to speak truth to power and because he is so clearly afraid of strong oversight.”

• **Texas Allowed to Halt Abortions:** Texas struck a blow against abortion access yesterday, after a federal appeals court said the state can halt most procedures as long as the governor’s emergency health decree to save medical supplies for fighting the pandemic is in effect. A three-judge panel in New Orleans said on a 2-1 ruling yesterday that some women’s constitutional rights to abortion can be temporarily set aside during a national health emergency.
  o U.S. Supreme Court precedent says “all constitutional rights may be reasonably restricted to combat a public health emergency,” said Circuit Judge Kyle Duncan, who was appointed by Trump, in the majority opinion. The decision comes after clinics, impatient for guidance, threatened to escalate the issue to the Supreme Court last week.

• **EU Upgrades Trade Arsenal to Offset U.S. Attack on WTO:** European Union governments agreed to expand the bloc’s trade-sanctions power, signaling that concerns about the U.S. challenge to the global commercial order run deeper than the coronavirus pandemic. Diplomats from the 27-nation EU approved an upgrade to European legislation on enforcing international commercial rules. The envoys decided to let the EU impose penalties against countries that illegally restrict commerce and simultaneously block the World Trade Organization’s dispute-settlement process.