Schedules: White House and Congress

WHITE HOUSE

- 2pm: President Trump meets with Texas Gov. Greg Abbott
- 4pm: Trump delivers remarks at the White House National Day of Prayer Service
- 11am: VP Mike Pence delivers PPE from FEMA to Woodbine Rehabilitation and Healthcare Center
- 5pm: Pence leads coronavirus task force meeting

CONGRESS

- Senate meets at 10am; set to consider S. J. Res. 68, the Iran war powers resolution vetoed by President Trump yesterday
  - Senate to vote on veto message at 1:30pm; expected to be last vote of the week, previous votes in each chamber were far short of two-thirds majorities needed to override
- 10:45am: House Speaker Nancy Pelosi holds weekly press conference
- Senate Rules and Administration Committee is expected to vote to advance Texas election lawyer James “Trey” Trainor to fill a GOP vacancy on the FEC

Congressional, Health Policy, and Political News

- **Pandemic’s Economic Toll Sparks Call in U.S. to Abolish WTO:** The World Trade Organization is coming under fresh criticism from Washington, this time from a Midwestern lawmaker who sees the coronavirus pandemic as an opportunity to rebuild America’s standing in the global economy. Sen. Josh Hawley (R-Mo.), writing in the New York Times op-ed page on Tuesday, called for the abolition of the WTO, blaming the Geneva-based arbiter of international commerce for overseeing a system that he argued has failed American workers. The U.S. needs to stop Chinese imperialism and renegotiate trade deals with allies, he wrote, saying that “abandoning the WTO is a start.”
  - While no authority exists for the U.S. government to close down the WTO single-handedly, the missive from Hawley echoes many of the complaints the Trump administration brought to office in 2017. It also reflects the hardening of some Americans’ views about China and the growing list of scapegoats sought for the economic calamity the country now faces.

- **Insurers Seek to Bend Curve on Testing Prices:** Health insurers nationwide are seeing bills for coronavirus tests as high as $1,000 as the U.S. looks to increase dramatically the number of tests performed. Insurers say they are only just now gathering claims data for Covid-19
tests and say the $1,000 tests, almost 2,000% of what Medicare pays for the same diagnostic, aren’t the norm but show the range they’re seeing different providers charge for the same test.

- Some of the biggest laboratories for Covid-19 testing, including LabCorp and the University of Washington, have a “cash price” — what a person could pay directly for the test — anywhere between $50 and $200. The huge cost variation could have long-term implications for insurers and for Americans without insurance seeking tests, particularly as states and the federal government try to ramp up testing and re-open businesses shuttered by the virus.

**U.S. Delays Report on Hong Kong’s Autonomy:** The U.S. delayed an annual report to Congress assessing Hong Kong’s autonomy, Secretary of State Michael Pompeo said, amid signals that China’s top agency in the city could take a more hands-on role. The postponement will “allow us to account for any additional actions that Beijing may be contemplating in the run-up to the National People’s Congress that would further undermine the people of Hong Kong’s autonomy as promised by China,” Pompeo told reporters in Washington yesterday.

- The move came days after China’s Liaison Office -- its top agency in Hong Kong -- accused resurgent pro-democracy protesters of jeopardizing the financial hub’s future. The U.S. previously dismayed China by showing support for Hong Kong’s demonstrators, who kicked off months of protests opposing Beijing’s increasing grip on the city last June.

**Search for Virus Origin Means Mission to China:** The World Health Organization is considering a new mission to seek the source of the coronavirus in China, amid growing controversy over the origin of a pandemic that has killed more than a quarter of a million people. “Without knowing where the animal origin is, it’s hard to prevent it from happening again,” Maria Van Kerkhove, a WHO epidemiologist, said at a press briefing yesterday. “There is discussion with our counterparts in China for a further mission, which would be more academic in focus, and really focus on looking at what happened at the beginning in terms of exposures with different animals,” she added.

- At a briefing today, Chinese foreign ministry spokeswoman Hua Chunying didn’t directly answer when asked if China would allow the WHO mission. She repeated that the origin of the virus needed to be determined by “scientists and professionals.” “The Chinese government and the WHO have seen good communication,” Hua said. “We would like continue our cooperation to deal with the pandemic.”

**Trump Vetoes Bill to Restrict Iran Power:** Trump yesterday vetoed legislation that would require his administration to seek clearance from Congress for any military action against Iran. “This was a very insulting resolution, introduced by Democrats as part of a strategy to win an election on November 3 by dividing the Republican Party,” Trump wrote in a statement. “The few Republicans who voted for it played right into their hands.”

- The resolution, which was introduced by Sen. Tim Kaine (D-Va.), would have barred troops from engaging in military actions against Iran without congressional
approval. The Senate will hold a vote to overturn the veto this afternoon, but likely lacks the two-thirds majority necessary to override Trump’s action.

- **Senators Seek Investigation of Carnival:** Sens. Richard Blumenthal (D-Conn.) and Ed Markey (D-Mass.) are urging a Senate committee to investigate Carnival’s response to the pandemic. In a statement yesterday, the senators cited reports indicating that Carnival continued sailing as the disease spread, even after recognizing the risks to passengers and crew. The statement was accompanied by a letter to Sen. Roger Wicker (R-Miss.), chairman of the Senate Committee on Commerce, Science and Transportation.

- **Distancing, Video, Masks at Altered Senate Judiciary Hearing:** The Senate Judiciary Committee became one of the first congressional panels to adapt to new ways over the coronavirus pandemic as senators showed up in-person and via teleconference to hear testimony from Trump’s pick for the second highest court in the U.S. Despite a few instances where audio from the video stream was difficult to hear, the new format went smoothly—a common theme as more government institutions embrace new procedures to carry out work amid the health crisis. The U.S. Supreme Court this week made history when it began a series of teleconference oral arguments that were livestreamed to the public.

- **SBA Says $184 Billion in Loans Processed:** The Small Business Administration said yesterday that it’s processed $183.5 billion in loans out of the $310 billion Congress authorized for the second round of the Paycheck Protection Program. The agency said on its website that it’d processed over 2.4 million applications from 5,422 lenders as of 5 p.m. Eastern time. The total amount of federal loans approved increased by about $2.3 billion from Tuesday.
  - A California software company that received a Paycheck Protection Program loan of over $750,000 sued the government over new guidelines attempting to restrict who can get such assistance. Zumasys said in a suit filed Monday against the Small Business Administration and Treasury Department it’s concerned it’ll have to pay back the forgivable loan the company and its two subsidiaries received in mid-April, some of which has already been spent to keep nearly 70 employees on the payroll.

- **Auto-Parts Makers Seek U.S. Loans:** Auto-parts manufacturers are lobbying for access to federal loans so they can resume making the components necessary for U.S. automobile assembly plants to begin producing cars again. The details of such a program, including its size, are still being discussed with lawmakers, but the loans are needed to help cover the initial raw materials purchases and other costs of producing parts after a roughly six-week period of almost zero revenue from components used in new vehicle production, according to Ann Wilson, senior vice president of government affairs at the Motor & Equipment Manufacturers Association.

- **Perdue Says Meat Plants Should Reopen in 10 Days:** Agriculture Secretary Sonny Perdue said he expects that U.S. meatpacking plants to fully resume operations within a week to 10 days, during a meeting with Iowa Gov. Kim Reynolds (R) and Trump. The president said
the U.S. has “plenty of supply” of meat. “Within a week and a half, we’ll be in great shape. Maybe sooner,” he told reporters in the Oval Office. Perdue added: “I’d say probably a week to 10 days before we’re fully back up.”

- **Emergency Virus Measures Test Core Rights:** State and local efforts to slow the spread of the coronavirus with stay-at-home and lockdown orders has spurred a libertarian backlash driving sometimes armed demonstrators to the streets and lawyers into courthouses across the U.S. to file civil rights lawsuits. Aimed at freeing religious congregations and businesses from restrictions imposed in the name of protecting public health, the suits assert violations of the U.S. Constitution’s guarantees of freedom to publicly assemble, to worship, to bear arms, and not be stripped of one’s property interests without due process, rights their proponents assert must be preserved even if the countervailing risk is illness or death.
  - The Supreme Court, grappling with its own social distancing requirements, on Wednesday declined to lift Democratic Pennsylvania Gov. Tom Wolf’s March order to close all non-life-sustaining businesses. But, only days earlier, the U.S. Court of Appeals for the Sixth Circuit blocked Kentucky from barring drive-in church services and still more cases are pending including some with petitions already before the high court.

- **U.K. to Ease Lockdown Monday:** The U.K. is set to ease parts of its nationwide lockdown Monday, with more freedom for people to leave their homes, but companies warned continued social distancing will hurt any economic recovery. Prime Minister Boris Johnson said he wants to start relaxing some measures next week “if we possibly can,” and will make a full statement on his plans on Sunday.
  - Under the changes, the government will stop ordering people to stay at home and allow them to sit or sunbathe in parks and exercise outdoors as much 1s they like, as long as they keep two meters apart from others. But officials cautioned the changes will be minor easements, rather than a big move to unlock the economy.

- **Health Insurers Offer Discounts to Customers Hit by Pandemic:** Several of the U.S.’s biggest for-profit insurers will give money back to customers and cut upfront costs for care and prescriptions, after they got an unexpected windfall because patients delayed normal medical services during the pandemic. UnitedHealth Group, the nation’s largest insurer, said it will rebate premiums to some commercial customers and waive cost-sharing for Medicare members as part of a $1.5 billion pandemic assistance program. Separately, Cigna said its pharmacy unit will cap the costs of some drugs for people who have lost health insurance. Earlier this week, Humana announced it would waive cost-sharing for Medicare members to see primary care doctors for the rest of the year.

- **Tech Companies Take Privacy Reins With Law Absent:** Technology companies helping to fight the coronavirus are policing themselves to protect consumer data in the absence of a comprehensive U.S. statute and only a few state privacy laws. The companies are taking voluntary steps based on Europe’s privacy law, such as restricting the types of data they collect and stating upfront their specific purpose for gathering information. But without federal laws requiring such steps, consumers may doubt that companies will actually follow
through and protect their data, said Neema Singh Guliani, senior legislative counsel at the American Civil Liberties Union.

- **Nominations:** The Senate yesterday confirmed by an 84-7 vote William Evanina to be director of the National Counterintelligence and Security Center.
  - Trump yesterday announced his intent to nominate James Broward Story, a career member of Senior Foreign Service, to be ambassador to Venezuela.
  - North Carolina businessman and Republican fundraiser Louis DeJoy will be named head of the postal service, the Washington Post reported yesterday, citing the Postal Service’s Board of Governors. The White House and DeJoy declined to comment to the Washington Post.

- **Ginsburg Released From Hospital:** Justice Ruth Bader Ginsburg was released from a Baltimore hospital after being treated for a benign gallbladder condition, the U.S. Supreme Court said last night. Ginsburg, 87, a four-time cancer survivor, was admitted to Johns Hopkins Hospital on Tuesday after tests revealed she had a gallstone that had caused an infection. She took part in two telephone argument from the hospital earlier yesterday. “She is doing well and glad to be home,” the court said in a statement.

- **White House Studies Virus Effect on Environment:** The National Oceanic and Atmospheric Administration has started studying how much the sharp cutoff in human activity due to the coronavirus has affected the planet’s atmosphere and oceans. Its findings will help sharpen climate projections and weather forecasts, the agency said yesterday. One target of research is the link between reduced activity and levels of carbon dioxide, methane, aerosols, and other common air pollutants.

- **New York AG Appeals Primary Order:** New York state Attorney General Letitia James (D) is appealing a judge’s order to reinstate the state’s June 23 Democratic presidential primary election, which had been canceled because of the Covid-19 pandemic. She filed notice yesterday that New York is asking the federal appeals court in Manhattan to review the order. U.S. District Judge Analisa Torres ruled on Tuesday that the cancellation violated voters’ constitutional rights.

- **Santorum Leads Conservative Climate Group:** Former Sen. Rick Santorum (R-Pa.) and a pair of former Republican Senate staffers launched a group yesterday to push for conservative approaches to climate change and energy. Some of the Conservative Coalition for Climate Solutions’ main targets will include seeking to streamline the permitting process under the National Environmental Policy Act, said Drew Bond, a coalition cofounder and former legislative assistant to former Sen. Don Nickles (R-Okla.).

- **EPA Leans on Older Adjunct Workers, With No Raises:** In a large office in an eastern city, a woman works 36 hours a week at the EPA processing and issuing permits—a task she said only one other person in her office knows how to do. The woman, who declined to be
identified in order to speak freely, is a retiree who works in the EPA’s Senior Environmental Employment (SEE) program. The program was created nearly four decades ago to let older workers—some of them EPA retirees, but many not—use their skills at the EPA, while keeping active and earning some extra money.

- The EPA has come to rely on the program to fill in gaps from hiring freezes and worker departures, according to program participants. But its pay scale for the senior workers hasn’t risen since 2010—even as federal employees have gotten raises of more than 5% between 2011-2018, according to the agency’s inspector general. And while the program isn’t intended to offer permanent employment at the EPA, many of the workers view themselves that way, and some have been working for the agency for more than two decades, the OIG found.

- **Navy’s Big Frigate Risks an Oversized Cost:** The Navy truncated orders for its ill-fated Littoral Combat Ship because the small vessels were vulnerable to attack and too lightly armed. Now, a new report suggests that the frigate intended to replace it may cost 56% more than projected partly because it’s bigger. The service projects that 18 of 20 new frigates will cost an average of $940 million each in inflation-adjusted dollars. The first two are estimated at about $1 billion each because of one-time costs.

- But the Congressional Research Service alerted lawmakers this week to “a potential issue” worth reviewing: the accuracy of Navy cost estimates considering that “ships of the same general type and complexity that are built under similar production conditions” tend to have similar -- and substantially higher -- costs per ton of displacement.