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VNF Weekly Wrap Up May 3-9, 2020

MAY 10, 2020 – 5:00 PM

Happy Mother's Day!

CONGRESS

COVID news...

House of Representatives: House Democrats are expected to release their next coronavirus relief proposal early this week and vote on the package shortly thereafter. Democratic leadership has publicly stated that this next proposal will focus on providing funding for state and local governments, and assistance to low income individuals and front line workers. The timing for action remains unclear, however, chatter in the Halls of Congress (or wherever congressional staff is working from these days) has signaled that there will likely be a House vote on Friday.

Senate: The Senate wrapped up its first week back in session with votes on several nominees. Timing for the release of any legislative effort or initiation of negotiations on the next relief package remain on hold, as Senate Majority Leader Mitch McConnell (R-KY) continues to publicly state his insistence that any future coronavirus relief package must address liability protections for businesses seeking to reopen.

Administration: White House economic adviser Larry Kudlow told reporters late last week that the Administration will not consider any further stimulus legislation this month as it eyes the economic impact of reopening U.S. states. Meanwhile, the White House and federal agencies continue their work on matters not related to the COVID-19 pandemic, including releasing an [Executive Order on Bulk Power Systems](#).

Legislation

A bipartisan group of senators introduced legislation allowing companies receiving loans from the Paycheck Protection Program (PPP) to write off expenses covered by those loans. The bill would clarify that businesses may deduct items such as wages and rent paid from forgivable PPP loans.

Committee Action

The House Appropriations Subcommittee on the Departments of Labor, Health and Human Services, Education, and Related Agencies held a hearing on Wednesday, May 6th on the federal response to COVID-19.

Witness Testimony was provided by the following:

- Dr. Tom Frieden, President and CEO of Resolve to Save Lives, and former Director of the Centers for Disease Control and Prevention
- Dr. Caitlin Rivers, Senior Scholar at the Johns Hopkins Center for Health Security, Assistant Professor in the Department of Environmental Health and Engineering at the Johns Hopkins Bloomberg School of Public Health

On Wednesday, May 6th Senate Committee on Homeland Security and Governmental Affairs held a Roundtable on COVID-19: How New Information Should Drive Policy ([Further Details](#))

Witness Testimony was provided by the following:

- Scott Atlas, M.D., David and Joan Traitel Senior Fellow, Hoover Institution, Stanford University
- David Katz, M.D., M.P.H., President, True Health Initiative
- John P.A. Ioannidis, M.D., C.F. Rehnberg Professor in Disease Prevention, School of Medicine, Stanford University
- Avik Roy, President, Foundation for Research on Equal Opportunity

- Tom Inglesby, M.D. Director, Center for Health Security, Bloomberg School of Public Health, Johns Hopkins University

On Wednesday, May 6th the Senate Committee on Commerce, Science & Transportation held a hearing on the State of the Aviation Industry. Examining the impact of the COVID-19 pandemic, witnesses provided an update on the current status of the aviation industry and addressed challenges resulting from the COVID-19 pandemic. The hearing also examined the implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. ([Further Details](#))

Witness Testimony was provided by the following:

- The Honorable Eric Fanning, President and Chief Executive Officer, Aerospace Industries Association
- Mr. Nicholas Calio, President and Chief Executive Officer, Airlines for America
- Mr. Todd Hauptli, President and Chief Executive Officer, American Association of Airport Executives

ADMINISTRATION

COVID news...

The President and his aides have been shifting their attention toward rolling back social distancing efforts to help restart businesses. Ongoing efforts to mitigate the coronavirus outbreak, including continued work on vaccine development and distribution of personal protective equipment will ultimately be shifted to agencies, including the Federal Emergency Management Agency.

The Administration also continues to develop its list of priorities for future legislative consideration, which are likely to include:

- Payroll tax cuts
- Surface transportation proposal written largely by the Department of Transportation
- Regulatory and permitting reform including streamlining the National Environmental Policy Act consistent with White House Council on Environmental Quality [proposals](#)
- Expanded business expense deductibility, and
- Additional direct payments.

It is possible that the President may give a speech outlining these priorities as soon as tomorrow.

In other Administration news...

White House – President Trump on Thursday [signed an executive order](#) instructing agencies to expand sustainable seafood production, in part by making aquaculture permitting processes more “efficient and predictable,” “speeding up regulatory reform to maximize commercial fishing,” and “upholding common-sense restrictions on seafood imports that do not meet American standards.”

Agency News

The [Centers for Disease Control](#) has authorized the first antigen test to help in the rapid detection of the virus that causes COVID-19 in patients. These diagnostic tests quickly detect fragments of proteins found on or within the virus by testing samples collected from the nasal cavity using swabs.

The [Paycheck Protection Program](#) (PPP) has approved nearly 2.5M loans in the second round of funding, totaling more than \$185B.

The [Small Business Administration](#) (SBA) announced that agricultural businesses are now eligible for the SBA Economic Injury Disaster Loans as part of the PPP. That portal has reopened for farmers and certain other agriculture businesses affected by the COVID-19 pandemic.

The [Environmental Protection Agency](#) announced \$1 million in grants to support environmental justice communities impacted by COVID-19.

The [Internal Revenue Service](#) has announced that the new employee retention credit for businesses now includes eligibility for those businesses that are only paying health benefits, but not wages for workers.

The [Food and Drug Administration](#) outlined what medical device shortage information it expects manufacturers to report during the COVID-19 pandemic under requirements put in place under the CARES Act.

The [Department of Labor](#) has issued additional guidance to states' unemployment insurance program reporting requirements for emergency administrative grants, reminding states about modifications to grants, and answering other commonly asked questions.

- Nine states have told the **Department of Labor** that they plan to ask for \$36 billion in federal advances to cover the rising cost of unemployment payouts amid the coronavirus pandemic. Additionally, the Department of Treasury reported on Monday it plans to borrow nearly \$3 trillion between April and June to bankroll the federal response to the pandemic.

Department of Agriculture Secretary Sonny Perdue [announced](#) plans to increase limits on the size of coronavirus relief checks to farmers and ranchers, following intense pressure from farm state lawmakers and industry groups.

CV Task Force – The Coronavirus Task Force (www.coronavirus.gov/)

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