



FROM:	Bose Public Affairs Group
DATE:	April 17, 2020
RE:	Weekly COVID-19 Update

### **BIG PICTURE**

The number of confirmed coronavirus infections has increased to more than 2.1 million people worldwide. The highest death toll now resides in the United States, with more than 33,000 deaths. For the last several weeks, Italy had the highest death toll until around the world, but the U.S. death rate has at least doubled every week since the outbreak began. The number of cases in the United States is nearly 673,000.

Despite the increasing numbers, local, state, and federal officials ramped up conversations this week regarding plans to safely reopen the economy over the next couple months. There was also a notable rise in public protests in more than a half-dozen states with fatigue and economic stress starting to set in over lockdown policies that have now stretched over two months. Citing government overreach for mandated closures of nonessential businesses and religious institutions, additional protests are scheduled this weekend around the country, defying government restrictions on large gatherings designed to mitigate the spread of the virus, overwhelm hospitals, and longer-term economic harm.

State and local leaders have pledged to prioritize public health and data in guiding their decision making on when to lift stay-at-home orders. On Thursday President Trump supported this by notion by releasing new guidelines suggesting a longer-term gradual removal of restrictions allowing governors to decide what is best for their states. The guidance recommended decisions should be based on state data indicating a consistent decrease of cases in states and localities occur, widespread testing is available, and hospitals can meet the demands of those infected with the disease. On Friday, however, the President's tweets expressed a sense of impatience with some state timelines.

[List of federal agency resources in response to COVID-19](#)



## [Institutional and Agency Guidance Specific to Federal Award Impact on COVID-19](#)

### [COVID-19 School Closure Map](#)

#### **ADMINISTRATION**

##### White House Publishes Guidelines for Reopening Businesses

On Thursday, President Trump announced his “Opening up America Again” guidelines, which include three major phases for reopening various components of American society. These guidelines build on the [30 Days to Slow the Spread](#) guidance, which was released in early April. The new guidance provides a general strategy for reopening the economy and gives governors the primary authority in determining individual timelines for doing so. In reference to these guidelines, he said “We’re not opening up all at once, but one careful step at a time,” describing the plan which will take a minimum of six weeks to gradually reopen regional economies. Throughout all three phases, it is recommended that all individuals continue to practice good hygiene and stay home when feeling sick and that employers monitor their workforce for indicative symptoms, prevent symptomatic people from physically returning to work, and develop and implement appropriate policies regarding sanitation, social distancing, testing, contact tracing, and business travel.

**Phase One:** Prior to entering phase one, it is recommended that states satisfy the following gating criteria: downward trajectory of both flu-like illnesses and COVID-like syndromic cases within a two-week period; downward trajectory of documented cases of COVID-19 or positive tests as a percentage of total tests within a two-week period; all patients treated without crisis care; and robust testing programs in place for at-risk healthcare workers, including emerging antibody testing.

- **Individuals:** All vulnerable individuals should continue to shelter in place, and members of households with vulnerable residents should take precautions to isolate from vulnerable residents if returning to work. Social gatherings should be limited to 10 people, and social distancing should still be practiced in public. Non-essential travel should be minimized, and individuals should continue adhering to CDC guidelines regarding isolation following travel.
- **Employers:** Whenever possible and feasible, employers should continue to encourage teleworking and plan to return to work in phases. Workplaces should close common areas, enforce strict social distancing, minimize non-essential travel, and strongly consider special considerations for employees who are vulnerable.
- **Specific Institutions / Businesses:** Schools, organized youth activities, and bars should remain closed. Gyms and large venues (sit-down dining, movie theaters, sporting venues, places of worship, etc.) can open with strict physical distancing and sanitation



protocols. Visits to senior living facilities and hospitals should be prohibited, but elective surgeries may resume on an outpatient basis.

**Phase Two:** Prior to entering phase two, it is recommended that states satisfy the following gating criteria: no evidence of a rebound and meeting the phase one criteria for a second time.

- **Individuals:** All vulnerable individuals should continue to shelter in place, and members of households with vulnerable residents should take precautions to isolate from vulnerable residents if returning to work. Social gatherings should be limited to 50 people, and social distancing should still be practiced in public. Non-essential travel can resume.
- **Employers:** Whenever possible and feasible, employers should continue to encourage teleworking. Workplaces should close common areas, enforce moderate social distancing, and strongly consider special considerations for employees who are vulnerable. Non-essential travel may resume.
- **Specific Institutions / Businesses:** Schools and organized youth activities can reopen, as well as bars with diminished standing-room occupancy. Gyms and large venues may remain open with moderate physical distancing protocols. Elective surgeries may continue on an out-patient basis, but visits to hospitals and senior care facilities should be prohibited.

**Phase Three:** Prior to entering phase three, it is recommended that states satisfy the following gating criteria: no evidence of a rebound and meeting the phase one criteria for a third time.

- **Individuals:** Vulnerable individuals can resume public interactions, but should practice physical distancing and minimize exposure to social settings where distancing may not be practical. Low-risk populations should consider minimizing time spent in crowded environments.
- **Employers:** Resume unrestricted staffing of worksites.
- **Specific Institutions / Businesses:** Large venues may operate under limited physical distancing protocols, bars may operate with increased standing room occupancy, and gyms can remain open if they adhere to sanitation protocols. Visits to senior care facilities and hospitals can resume, assuming individuals who interact with residents and patients are diligent regarding hygiene.

In addition to these guidelines, President Trump announced on Tuesday that he will be convening a panel of advisors, called the [Great American Economic Revival Industry Groups](#), from various public and private sectors to advise on the reopening of the economy. The various groups include issue areas such as agriculture, banking, construction, defense, energy, financial services, food and beverage, healthcare, hospitality, manufacturing, real estate,



retail, tech, telecommunications, transportation, and sports. The President intends to consult CEOs and other leaders through a series of conference calls.

### Other Notable Agency Guidance This Week

Several executive agencies released new guidance regarding COVID-19 response efforts this week.

- On Monday, April 13<sup>th</sup>, the Department of Labor issued an [alert](#) to keep package delivery workers safe during the COVID-19 pandemic. The Department of Agriculture also unveiled a [tool](#) to help rural communities address the COVID-19 pandemic.
- On Tuesday, April 14<sup>th</sup>, the Department of Education [announced](#) \$3 billion in emergency education block grants for governors to use with broad discretion to support students of all ages. That same day, the Department of Education also [announced](#) new flexibilities, allowing CTE programs to donate unused personal protective equipment and medical supplies to fight the pandemic.
- On Wednesday, April 15<sup>th</sup>, Attorney General William Barr issued a [statement](#) on religious practice and social distancing, advising that governments could not impose stricter restrictions on religious establishments than other institutions, in response to local law enforcement ticketing worshipers at a “drive-in” Easter service in a town where drive-up restaurants were still being allowed to operate.
- On Thursday, April 16<sup>th</sup>, the Treasury released a [statement](#) on the Paycheck Protection Program and Economic Injury Disaster Loan Program. The Department of Labor also released two statements on [keeping manufacturing workers safe during the pandemic](#) and [unemployment insurance claims](#).

## **CONGRESS**

Congress was in recess this week as leaders continued working on plans for another relief package to address economic and health concerns from the pandemic.

### Phase 4(a) Package

With the Small Business Administration announcing it has run out of money for the Paycheck Protection Program (PPP), and won't be accepting new applications or enrolling new lenders, pressure on lawmakers to pass another relief bill has heightened even more.

Congressional leaders and administration negotiators remain stuck over what a fourth (or three and a half) package should include. Republicans want additional funding for the PPP in the next bill and want to address additional concerns in a larger bill to be considered when both chambers are set to return next month. Meanwhile, Democrats want to make changes to the small-business program and include money for community banks, hospitals, state and local governments, and food assistance recipients alongside the additional PPP funding.



By Friday afternoon, there appeared to be progress in negotiations as House Minority Leader Kevin McCarthy stated, "I think we got a little [progress]," signaling that Republican leaders would be open to a deal that includes funding for hospitals, but not money for state and local governments, which can be addressed at a later date.

The next opportunity to resolve the impasse won't come until Monday, when the Senate will convene for a pro forma session.

A tracker outlining funding priorities that have been suggested by lawmakers, advocacy groups, and other stakeholders is available [here](#).

### Remote Voting?

On a call with Speaker Nancy Pelosi (D-CA) on Thursday, House Rules Committee Chairman Jim McGovern (D-MA) suggested that the House move to allow remote proxy voting for the remainder of the pandemic. If approved, the recommendation would permit a member that is physically present in the House chamber to cast a vote of behalf of an absent member with their authorization.

Both chambers of Congress remain recessed until the week of May 11th.

## **BUSINESS AND INDUSTRY**

Unemployment rates continue to rise, with over 5 million workers filing for employment last week, bringing the total unemployment number to 22 million. Even so, the stock market demonstrated some positive trends, despite overall volatile patterns. On Friday afternoon, the Dow Jones was up 3%, the S&P 500 increased 2.7%, and the NASDAQ advanced 1.4%. This was the first time since March 10th that the Dow closed above 24,000, indicating some signs of hope. These increases can in part be explained by a 14.7% jump in Boeing shares, following the company's announcement that it would resume commercial aircraft production next week. Investors also seemed to demonstrate some hope for a coronavirus treatment, sparked by an announcement from Gilead Sciences that reported some effectiveness for a drug they were testing.

### Airlines Strike Deal with Treasury Department

Due to travel restrictions and a drop in discretionary travel in light of the coronavirus pandemic, airlines have seen a sharp decline in their revenue. In order to support the airline industry, Congress allocated \$25 billion in payroll grants and \$25 billion in loans in the CARES Act passed late last month. Treasury Secretary Mnuchin introduced a number of conditions before disbursing these funds, which resulted in a week of negotiations between the airlines and



Treasury Department. This week, Delta, American, JetBlue, and Southwest Airlines have reached deals with the Treasury Department to start receiving portions of the \$25 billion for payroll grants. Participating airlines have agreed not to cut employee pay rates or furlough employees as a condition of receiving the funds, and some airlines will pay back up to 30% of the grants.

#### Liquidity Facility for Paycheck Protection Program (PPP) Up and Running

On Thursday, the Federal Reserve announced that the facility to provide liquidity to eligible financial institutions supporting small businesses through the Paycheck Protection Program is now available and fully operational.

### **HEALTH CARE**

#### CMS Announces New Funds

On Wednesday, The Centers for Medicare and Medicaid Services (CMS) announced that the agency will nearly double payments to hospitals and medical centers to expand testing for the coronavirus using Abbott Laboratories' large-scale coronavirus tests. According to Dr. Deborah Birx, the machines, which can process up to 1 million tests per week, have been running at less than 10% of their capacity. However, concerns remain over the capacity of available technicians and essential supplies to ensure the tests are managed properly at such scale.

#### Trump Campaign Veteran Tapped for HHS Spokesperson

On Thursday, the White House announced Michael Caputo as the spokesperson at the Department of Health and Human Services (HHS). Caputo, a Trump campaign veteran, will be the assistant secretary of HHS for public affairs.

#### New HHS Partnership with Manufactures to Scale Health Supply Chains

On Friday, the Department of Health and Human Services released statements on a [new partnership](#) to develop national a national strategy for COVID-19 therapies and vaccines and a [ventilator contract](#) with GE under the Defense Production Act.

### **CONCLUSION**

The Bose Public Affairs Group team will continue to monitor all relevant developments over the weekend and will be providing ongoing updates as they develop.

