



## COVID-19 3/24 PM UPDATE

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Senate Leaders and staff continue to draft and review final language for the CV3 bill, which mechanically simply takes time to ensure agreements made in principle are correctly captured in legislative text. Senate votes – as well as the House process – remains TBD depending on when a bill is released. We will send an update once text is released and the schedule becomes more clear.

### **Government**

#### *CV3*

- A tentative deal struck between **Senate Republicans** and **Democrats**, with input from their House counterparts and the Trump administration, would create a short-term refundable payroll tax credit for businesses that retain their workers, sources familiar with the details told Bloomberg Tax.
  - Similar in structure to a **payroll tax credit** created last week to offset the cost for employers to offer paid sick leave during the new coronavirus crisis, businesses would receive 50% of the wages paid to an employee during the crisis, and up to \$10,000 of the credit would be refundable per employee. To speed the benefit, the Treasury Department could advance the credit to eligible firms. The new emergency tax credit would be in addition to a temporary payroll tax payment deferral for employers .
  - The **retention credit** would be available to **large businesses ineligible for Small Business Administration loans**, in addition to smaller firms. Businesses will only be able to apply for a portion of the \$349 billion in emergency SBA loans expected in the stimulus package or the employee retention credit, not both, according to a source familiar with the talks. Any business or nonprofit affected by forced closures due to governmental directive related to Covid-19, or by quarantine, as well as businesses that have seen a 50% drop in revenues would qualify.
  - Companies with **fewer than 100 employees** are eligible for the credit even if they furlough employees. As long as employees technically remain on payroll, they can receive credit for half of the wages paid to those workers, sources said.
- Two measures to temporarily help companies facing cash-flow crunches will be included in the stimulus bill deal that could be announced as soon as Tuesday, according to Bloomberg Government.
  - The provisions -- a **delay for employers to submit the payroll taxes they owe** and an expanded **deduction** for the interest expense companies pay on loans -- will give

businesses a tax reprieve as the economic fallout from the coronavirus pandemic could leave them struggling to pay employees and cover costs.

- Senators are still haggling over a technical tweak in the stimulus bill that would **deliver large tax breaks to restaurants and retailers**. **Republicans** are pushing to include the fix to the 2017 tax law that would allow restaurants and retailers to deduct the costs for renovating stores in a single year, instead of spreading it out over several.
  - **Republicans** say this will help **boost businesses** hard hit as consumers are advised to stay home as the coronavirus spreads -- and it would fix an error written into their tax cut law. Democrats say they want a broader rewrite of the 2017 tax cut before correcting a mistake.
- Separately, **Schumer** told members of his party he's confident the bill will include additional funding to help localities combat the virus: \$150 billion for a **state and local stimulus fund** and \$130 billion for **hospitals**, according to a person familiar with the call.
- **House Majority Leader Steny Hoyer** told **Democrats** there could be two more rounds of fiscal stimulus, according to two people on the party's Tuesday conference call.
  - Pelosi, speaking on the same call, said one of the unresolved issues in the Senate bill currently under discussion is a **15% increase in funds for food stamps**, the people said.
- House Republican **vote-counters** led by **Steve Scalise** held conference call with members Tuesday in case the Senate passes a coronavirus stimulus bill.
  - **House Minority Whip Steve Scalise** tells his vote-counting team that the best option for Republicans in the chamber is to accept a Senate-passed coronavirus relief bill, Lauren Fine, spokeswoman for Scalise, says in statement.
- House members haven't been in Washington for more than a week. Earlier Tuesday, **Pelosi** suggested a Senate-passed bill could obtain swift **House** approval through a **voice-vote** without members returning to Washington, so it could be sent to President Donald Trump to be signed into law.
  - That would require none of the chamber's **Democrats** or **Republicans** to object. Otherwise, House members would have to return to take a standard, recorded vote on the House floor.
- **Speaker Nancy Pelosi** says on MSNBC she thinks a stimulus deal could be reached today but is not sure how quickly the Senate would be able to vote on a package.
  - Unclear how quickly Senate vote could happen due to need to write the bill, Pelosi says, adds she heard there is a possibility Senate could vote tomorrow if deal reached today
- **Pelosi** says she is working to get **unanimous consent** on a stimulus deal in the House
- **Treasury Secretary Steven Mnuchin** has been meeting with **Senate Minority Leader Chuck Schumer** to resolve Democrats' complaints about the Republican legislation.

#### *Capitol Hill*

- **House Speaker Nancy Pelosi (D-Calif.)** on Tuesday called for a "major scientific intervention" to guide the nation's decisions on responding to the coronavirus, offering an implicit critique of Trump as he considers loosening social-distancing guidelines and other measures backed by health advocates because of economic concerns.
  - "I think we need a major scientific intervention right now as to what does work and doesn't work about stopping the spread of this," Pelosi told CNBC during an on-air phone interview. "As we go forward, I think it has to be so much more science-based. We either see a light at the end of the tunnel of this because of our scientific basis for

staying home and this or that is working, or if we just forget that, that light at the tunnel can be the proverbial train coming at us.”

- **Rep. Liz Cheney (R-Wyo.)**, the third-ranking member of House Republican leadership, took to **Twitter** on Tuesday to push back against Trump’s proposal to reopen the country’s economy, criticizing the move as premature.
  - “There will be no normally functioning economy if our hospitals are overwhelmed and thousands of Americans of all ages, including our doctors and nurses, lay dying because we have failed to do what’s necessary to stop the virus,” [Cheney said](#).
- Today, **New Democrat Coalition (NDC) Chair Derek Kilmer** penned an op-ed outlining the New Dem policy recommendations for a continued economic response to the coronavirus pandemic and urging Congress to put aside partisan politics, work together, and protect the American people. **Read more in *The American Independent* [here](#) or below. Read the NDC’s [press release](#) & the New Dem [full economic recommendations to coronavirus](#).**

#### *Administration*

- **President Donald Trump** said he invoked the Defense Production Act but that he hasn’t had to exercise the authority.
  - “It’s called leverage,” Trump said of the **Defense Production Act** at a White House news conference. “Companies are doing as we asked, and companies are even better than that -- they’re coming through and they’re calling us.”
  - “We didn’t have to exercise or utilize the DPA in any way,” he said. “The fact that we have it helps, but for the most part we won’t have to.”
- The **White House** advised anyone who has been in **New York** to self-quarantine for 14 days to stop the spread of the coronavirus, which has become widespread in the city.
  - “You may have been exposed before you left New York,” Deborah Birx, the State Department doctor who is advising Vice President [Mike Pence](#), said at a White House news conference on Tuesday. “Everybody who was in New York should be self-quarantining for the next 14 days to ensure that the virus doesn’t spread to others.”
- **President Trump** said Tuesday that he wants to have the country “**opened up**” by **Easter** — April 12 — as he continued to press the case that the U.S. response to the coronavirus outbreak is more damaging to the economy than it’s worth.
  - Trump continued to express concerns that federal guidelines for social distancing, including the closure of some businesses, and other steps to mitigate the outbreak could go too far, despite warnings from public health experts that the restrictions may need to stay in place for weeks.
  - “I would love to have the country opened up and raring to go by Easter,” Trump said during a Fox News town hall broadcast from the Rose Garden at the White House. Easter falls on April 12 this year.
- **President Donald Trump** defended the slow pace of coronavirus testing in the U.S., saying in a Fox News “virtual town hall” on Tuesday that the government “did not screw up” and is now a “model.”
  - “Nobody ever expected a thing like this, nobody would say that millions of millions of people would have been tested,” he said. “So what we did is broke that egg, we broke that system and we created a new system that now we’re doing unbelievably big numbers.”

- **President Donald Trump** spoke to several **billionaire hedge fund** and **private equity managers** Tuesday morning about reopening the U.S. economy, which has been ground to a halt by the coronavirus outbreak, people familiar with the matter said.
  - Trump is re-evaluating whether to call for people to return to work as the economic damage from the shutdown has mounted. He discussed the path forward by phone with money managers including **Citadel's** Kenneth Griffin, Paul Tudor Jones of **Tudor Investment**, John Paulson and **Blackstone Group Inc.**'s Stephen Schwarzman, one of the people said.
- **Vice President [Mike Pence](#)** tells Fox News another 2,000 ventilators will be sent to New York tomorrow.
  - Also says **Apple** is donating 6 million industrial masks to FEMA; 3 million to states
- **Vice President Pence** said Tuesday that the White House is not considering a “nationwide lockdown” or a “stay at home order” amid the coronavirus outbreak.
  - During **Fox News'** virtual coronavirus town hall with members of the [White House Coronavirus Task Force](#), Pence, responding to a viewer question, sought to quell rumors of a national quarantine.
  - “I can tell you that at no point has the White House Coronavirus Task Force discussed what some people call a nationwide lockdown, or as you describe a stay at home order,” Pence said.
- **Treasury Secretary Steven Mnuchin** would be allowed to spend \$100 million on investment banks for their services in administering emergency lending programs according to drafts of legislation Congress is under pressure to pass this week.
  - The proposal would provide Mnuchin with funds to pay for services related to \$500 billion in lending [programs](#) for small businesses, states and municipalities. Recipients could include brokers, dealers and banks serving as financial agents for the government, according to a draft copy of the bill.
  - The legislation would allow the institutions to “perform all reasonable duties the Secretary determines necessary to respond to the coronavirus,” according to a draft.
- **Dr. Anthony Fauci** told reporters that while he met with **President Trump** in the Oval Office Tuesday he emphasized the need to be “**flexible**” in determining a date for a bounce back, following Trump’s comments that he may relax guidelines by Easter Sunday.
  - “We just had a conversation with the President in the Oval Office. You can look at a date but you gotta be very flexible,” Fauci told reporters when asked what he thought of Trump’s timeline.
  - He also said that parts of the country may be OK by Easter but added other places that are worsening.
- Three sailors aboard **the USS Theodore Roosevelt** tested positive for the coronavirus and were flown off the ship, Acting Navy Secretary Thomas Modly told reporters in a briefing at the Pentagon.
  - The Navy has identified all crew members who were in touch with the three infected sailors and has them under quarantine
- **U.S. antitrust agencies** announce expedited process for reviewing joint efforts by companies to combat the coronavirus outbreak.

- Expedited antitrust reviews are aimed at helping businesses quickly address public health and economic needs, the Justice Dept., Federal Trade Commission say in [statement](#)
- **Health-care providers** may need to work together to treat patients; other businesses may need to temporarily combine production and distribution to provide needed supplies, **DOJ** and **FTC** say
  - Agencies will respond to COVID-19-related requests regarding public health and safety within seven calendar days
- **Federal Reserve** says it's reducing some bank examination work as industry grapples with economic headwinds brought on by coronavirus, but it maintains deadline for big banks' stress test submissions.
  - **Fed** will temporarily reduce its bank examinations, especially of smaller institutions, agency says in Tuesday statement
  - Large institutions must still meet April 6 deadline for filing capital plans under **Comprehensive Capital Analysis and Review**
- Today, the U.S. **Department of Labor's Wage and Hour Division** (WHD) announced its first round of published guidance to provide information to employees and employers about how each will be able to take advantage of the protections and relief offered by the Families First Coronavirus Response Act (FFCRA) when it takes effect on April 1, 2020.
  - FFCRA will help the United States combat and defeat COVID-19 by giving all American businesses with fewer than 500 employees funds to provide employees with paid leave, either for the employee's own health needs or to care for family members. The legislation will ensure that workers are not forced to choose between their paychecks and the public health measures needed to combat the virus while at the same time reimbursing businesses.
  - The guidance – provided in a Fact Sheet for Employees, a Fact Sheet for Employers and a Questions and Answers document – addresses critical questions, such as how an employer must count the number of their employees to determine coverage; how small businesses can obtain an exemption; how to count hours for part-time employees; and how to calculate the wages employees are entitled to under this law
- **School leaders** across the country are calling on the **Federal Communications Commission** to direct money from a program for internet access on campuses to millions of students who now find themselves learning at home.
  - The **FCC** should allow funds from the federal E-rate program to support online learning for those students, more than 7,500 educators and parents wrote [in a letter](#) Tuesday to commission Chairman Ajit Pai.
- **FDA** relaxes compliance rules to allow **veterinarians** to examine animals virtually to encourage social distancing, according to statement. **FDA** will temporarily suspend enforcement of requirements that veterinarians physically examine animals in-person
- **Tower** service at **Chicago's Midway Airport** has been restored, **FAA** says in statement.
  - **Tower** was closed for disinfection after technicians had tested positive for Covid-19. Closure forced Southwest to cancel 1,000s of flights
- **The Federal Reserve Board** says it has delayed by six months the enforcement of maximum levels on **daylight overdrafts** -- a form of intraday borrowing -- that U.S. branches of foreign banks may incur.

- The changes, approved April 1, 2019, were initially meant to take effect April 1, 2020, the Fed says in a statement Tues.; now will take effect Oct. 1
- A detainee held in the **Bergen County Jail in New Jersey** tested positive for Covid-19, the first person in **U.S. Immigration and Customs Enforcement** custody to do so, the agency said in a statement Tuesday.
  - ICE has suspended intake at the facility.
  - The Mexican national is a 31-year-old male, now in quarantine and receiving care, the agency said.
- The **U.S. Army Corps of Engineers** is urgently seeking commercial companies that know how to convert hotels into hospital space, as novel coronavirus infections rise in populous areas such as New York City and hotels sit empty amid the pandemic.
  - The Army's Corps of Engineers' contracting office in Little Rock, Ark., is putting out feelers in a [draft request for proposals](#) for companies that can convert hotel space to an acute alternate care facility in support of treatment for Covid-19 patients. The magnitude and type of contract is yet to be determined, the notice said.
  - The service is considering converting 10,000 dormitory and hotel rooms in New York -- if needed -- to help address any shortfall in bed space for virus victims, the head of the Army Corps of Engineers, Lt. Gen. Todd Semonite, said at a Pentagon briefing last week.

#### State/Local

- At least **13 states** and **16 municipalities** have ordered 148,577,262 people or 45% of the US population to stay home as a result of the pandemic, according to data compiled by CNN using US Census population estimates.
  - At least five additional states and nine municipalities will have orders going into effect later this week.
- **New York City** will move to release 300 city inmates immediately due to Covid-19 concerns, NYC Mayor Bill de Blasio said Tuesday.
  - All of those eligible for release are city inmates convicted of misdemeanors and nonviolent felonies, all with less than one year left on their sentence, de Blasio said.
- **New York City** will initiate a pilot program of closing two streets per borough for outdoor exercise and for people to get fresh air, Mayor Bill de Blasio said Tuesday.
  - The city is aiming to get these sites closed to traffic and open to New York City residents by Thursday. Every site will have authorities who will enforce social distancing policies, de Blasio said.
  - For now, playgrounds and parks remain open in the city, but the city is working with state and local officials to maximize education and enforcement.
  - The city will continue to monitor the situation until Saturday evening, at which point they will decide whether residents are adhering to social distancing policies well enough, or if they need to close playgrounds for the foreseeable future.
  - Citi Bike will also offer a free 30-day membership for "essential workers," de Blasio said.
- **New York's** rate of infection is doubling every three days, and help isn't arriving quick enough to flatten the curve, according to Gov. Andrew M. Cuomo (D).
  - "One of the forecasters said to me 'We were looking at a freight train coming across the country. We're now looking at a bullet train,' because the numbers are going up so quickly," Cuomo said in a Tuesday news conference.

- Cuomo said federal coronavirus resources should be given to his state first and then be allocated to other states in the country. He said New York is "scouring the globe" for ventilators and has resorted to trying experimental procedure where they split the ventilators between two patients because "we have no alternative."
- Cuomo also said the state needs 140,000 beds for expected coronavirus patients. Officials will consider using college dorms and hotels to meet the demand, he said.
- The governor criticized the federal response to coronavirus, saying the Federal Emergency Management Agency sent the state 400 ventilators — but they need 30,000.
- **Washington, D.C.** will order "non-essential" businesses closed, Mayor Muriel Bowser says during a press conference. Bowser, citing guidance to be issued later Tuesday, did not say when order would take effect
  - Order will be similar to other business closures in Washington area. Bowser says businesses like salons, barber shops, tattoo parlors, tanning salons and services not related to emergency responses will be shut
- The U.S. Department of Agriculture's Agricultural Research Service will close public access to all areas of the **U.S. National Arboretum**. Effective today, the grounds and outdoor garden collections will be closed, and all activities and tours have been cancelled until further notice.
- Certain features at parks in **Northern Virginia** are closed to the public amid the coronavirus pandemic.
  - On Tuesday, [Arlington County](#) announced parks, playgrounds, fields, restrooms, tracks, dog parks and athletic courts are closed until further notice.
  - In [Fairfax County](#), parking lots, athletic fields, sport courts, restrooms, nature centers, visitor centers, golf courses, historic sites, picnic areas, playgrounds, amusements, boat launches, skate parks, off-leash dog areas, outdoor fitness equipment and any areas for open recreation will be closed on Tuesday at 11:59 p.m.
  - Playgrounds, athletic courts and other [Loudoun County](#) parks features are now closed to the public.
- **Louisiana** Governor John Bel Edwards wrote a letter to President Donald Trump on Tuesday, March 24, requesting federal support as his state and local resources became "overwhelmed" amid an aggressive response to the COVID-19 pandemic.
  - Gov. Edwards requested a Major Disaster Declaration for the State of Louisiana as the number of cases of COVID-19 grows and the state's efforts to combat the spread of illness intensifies. The state's number of cases grew faster in the first 14 days than anywhere else in the world, according to data compiled by an economist at the University of Louisiana at Lafayette.
- **Oklahoma** Gov. Stitt issued a "safer-at-home" order for the vulnerable populations until April 30. Effective at midnight tonight, a restriction of any gatherings of 10 or more will take place across the whole state, says Gov. Stitt.
- **Texas** Gov. Abbott issued two exec. Orders today to suspend all elective surgeries to free up hospital beds and require hospitals to provide state with daily bed count, test count.
- Gun stores in **Los Angeles** have been declared a nonessential business and have been forced to close, L.A. County Sheriff Alex Villanueva said in a statement Tuesday.
- **Yellowstone** and **Grand Teton** national parks will be closed to visitors until further notice during the coronavirus outbreak.

- **Oregon** Gov. Kate Brown said Tuesday that she is “gravely concerned” about Oregon’s financial ability to deliver basic services over the next six months to a year because of the economic fallout from statewide closures, layoffs by affected businesses and stay-at-home orders aimed at slowing the spread of the coronavirus.
- A Transportation Security Administration agent at **Seattle-Tacoma International Airport** has tested positive for coronavirus, according to a spokesperson for the Port of Seattle, which runs the airport.
- The death of a person under the age of 18 in **Los Angeles County** is believed to be the first from the novel coronavirus in the United States.
- **Florida** Gov. Ron DeSantis said anyone who has traveled from the New York City area to Florida in the last three weeks will need to self-isolate and also provide a list of people they have been in close contact with in Florida. Travelers will also have to provide an address in Florida where they will self-isolate.
- **Illinois' Governor J.B. Pritzker**, speaking at a news conference Tuesday, said the state is looking into whether closed hospitals could reopen to help with coronavirus response efforts.
  - "In a worst-case scenario surge, the state would turn existing hospitals into almost entirely Covid-19 response hospitals, moving non-Covid patients to other hospitals," the governor said.

## International

- The **British government** on Tuesday called for 250,000 volunteers to step forward in a nationwide effort to assist the most vulnerable in society in the ongoing “war” against the coronavirus.
  - At 10 Downing Street’s daily news conference — held virtually, for the first time — British Health Secretary Matt Hancock said, “In these extraordinary times, it’s essential that we all pull together as part of the national effort to protect the most vulnerable, reduce pressures on our NHS [National Health Service] and care system and save lives.”
  - The British Armed Forces will begin delivering and distributing essential medical and personal protective equipment to National Health Service (NHS) facilities. They have already delivered some 50,000 face masks to London's St Thomas' Hospital on Tuesday, the Ministry of Defence (MOD) said in a statement.
- **South Korean President Moon Jae-in** spoke with Trump on Tuesday to discuss the coronavirus outbreak, according [to an account from Moon’s office](#) shared with local journalists.
- **Spain** announced Tuesday that it has earmarked 20 billion euros (\$21.6 billion) of its already approved relief budget to ensure liquidity for Spanish companies affected by the coronavirus pandemic.
  - “We have approved the conditions to put into effect the first line of guarantees for companies with 20 billion euros of the total of 100 billion euros [\$108 billion] that we previously announced,” Treasury Minister Maria Jesus Montero said at a news conference. “When this first line is depleted, the next amount will be released until fulfilling the full amount. We want to see how it works and see if the demand or the market situation adjusts.”
- The Euro-Atlantic Disaster Response Coordination Centre (EADRCC) has received a formal request from **Spain's Ministry of Defense** for international humanitarian assistance, NATO confirmed Monday in a statement, highlighting both medical and personal protective equipment

as key areas of demand for Spain's armed forces, who are supporting the country's response to the COVID-19 outbreak.

- **Egypt** has announced a two-week curfew for its more than 100 million people to slow the spread of the coronavirus.
  - The measure will take effect Wednesday, Prime Minister Moustafa Madbouly said at a news conference. Road traffic will be banned between 7 p.m. and 6 a.m. each day. The only facilities to remain open, aside from hospitals and other medical centers, will be bakeries, supermarkets and pharmacies.
- **German** hospitals with spare capacity on Tuesday welcomed their first coronavirus patients from **Italy**, where an overwhelmed health care system has seen the pandemic kill more people than in any other country.
- The Communist Party of the **Philippines** (CPP) on Tuesday declared a ceasefire with government forces amid the coronavirus disease 2019 (COVID-19) pandemic raging across the country.
- In **Ireland**, private hospitals will act as part of the public health system for the duration of the coronavirus pandemic, the government has announced. Some 2,000 beds, nine laboratories and thousands of staff have been drafted into the public system.
- Industries across **France** are at "about 25% capacity," with some industrial sectors dropping in capacity by some 80%, French Finance Minister Bruno Le Maire said Tuesday.
- **Canadian Prime Minister Justin Trudeau** said he and his officials will "shift our posture," if necessary, when it comes to stricter border controls with the United States.
- **Prime Minister Justin Trudeau** says proposed sweeping new powers to let the government spend money without parliamentary approval are needed because the coronavirus pandemic presents an "exceptional situation."
- The **French government** will launch a new financial aid package in order to stem the spread of coronavirus to developing nations, with a particular focus on countries within **Africa**.
- **Sierra Leone** President Julius Maada Bio declared a 12-month state of "public health emergency" starting Tuesday in the West African nation to prevent the spread of coronavirus. It has yet to report a case.

#### Private Sector

- **Ford** Executive Chairman Bill Ford says they're trying to make 100,000 masks a week and work with 3M to increase production of air purifying respirators from 6 to 10 times.
- **Harvard University** President Lawrence Bacow on Tuesday announced that he and his wife, Adele Fleet Bacow, have contracted the coronavirus. Lawrence Bacow, 68, shared the news moments after receiving the test results, he said in a letter to "alumni and friends" detailing the onset of symptoms that drove the couple to seek testing Monday.
- One of Europe's largest airlines, **Ryanair**, [said Tuesday](#) that it will ground most or all of its regular flights for passenger travel for months to come, an indication that key European companies assume lockdowns and restrictions on the freedom of movement could remain in place for a prolonged period.
  - "We do not expect to operate flights during the months of April and May at this time, but this will clearly depend upon Government advice, and we will in all cases comply with these instructions," Ryanair CEO Michael O'Leary wrote in a statement. "The experience in China suggests a 3-month period for the spread of the virus to be contained and reduced," he added.

- **Delta Air Lines** Inc. lost its coveted investment-grade status from one rater as S&P Global Ratings cut the company to junk.
- **US stocks** ended in the green on Tuesday, recouping all of Monday's losses as investors grew optimistic about the government's response to the coronavirus crisis.
- **Warner Bros.** on Tuesday delayed the summer release of "Wonder Woman 1984" and removed the adaptation of Lin-Manuel Miranda's "In the Heights" from its schedule due to the coronavirus pandemic.
  - With much of Hollywood's spring release calendar already vacated due to the virus, major summer movies are also increasingly reshuffling. "Wonder Woman 1984," the sequel to 2017's "Wonder Woman," will now hit theaters on Aug. 14 instead of June 5.
- **Liberty University** in Virginia welcomed students back to campus Monday [amid criticism](#) of its president, Jerry Falwell Jr., for the decision during the [coronavirus pandemic](#). More than 1,100 students returned Monday following spring break, according to Scott Lamb, a spokesman for the university in Lynchburg. Falwell said he met with many of them.
- National grocery chain **Kroger** said in a statement that it wants the government to help secure its workers masks and gloves.