



FROM:	Bose Public Affairs Group
DATE:	August 07, 2020
RE:	Weekly COVID-19 Update

BIG PICTURE

The United States is approaching 5 million confirmed coronavirus cases, with infections continuing to rise at a steady pace around the country. Congressional leaders remained in Washington this week to continue negotiations on another relief package responding to the economic and public health crises caused by COVID-19.

[Here is where all 50 states stand on reopening](#)

[CDC COVID-19 Forecasts](#)

[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

President Issues Executive Order on American-Made Drugs & Medical Products

President Trump on Thursday signed an [executive order](#) calling on federal agencies to purchase "essential drugs" and medical supplies made in the U.S. Under the order, the Food and Drug Administration (FDA) will be responsible for determining which drugs or supplies should be manufactured in the U.S and will also remove some of the regulations U.S. pharmaceutical manufacturers face. The review process to make certain drug ingredients also will be fast-tracked .



CONGRESS

Next Coronavirus Relief Package

After a week of closed-door negotiations between Democratic Congressional leaders and White House Chief of Staff Mark Meadows and Treasury Secretary Steven Mnuchin, deadlock over a new coronavirus relief package remains after a last ditch effort on Friday afternoon failed to produce an agreement. While reports from Capitol Hill signal that some progress has been made on what aspects the package will include, the overall size and cost of the package remain a significant hurdle to reaching a final agreement.

At her weekly press conference Friday morning, Speaker of the House Nancy Pelosi (D-CA) told reporters that Democrats were willing to come down from the \$3 trillion spending level outlined in their proposal – the HEROES Act – to a total cost of \$2 trillion if Republican lawmakers were willing to meet in the middle and come up from their \$1 trillion proposal – the HEALS Act. Entering Pelosi's office Friday afternoon, Mnuchin suggested to reporters that such a proposal is a “non-starter” for Republicans.

Other aspects of the package where disagreement remains, according to negotiators, include:

- **Unemployment insurance expansion**- Republicans proposing \$400 for 20 weeks or 70% of wage replacement with a \$600 cap, up from a flat \$200 outlined in their original proposal. Democrats remain at the \$600 as passed in the CARES Act.
- **Housing**- Democrats pushing for federal rental assistance. Republicans oppose money for rental assistance but support extending the eviction moratorium.
- **Education**- Still at odds over total funding. Democrats propose \$175 billion and Republicans at \$75 billion. Negotiators are reportedly close to a deal on private school assistance.
- **State and Local Funding**- Republicans suggest \$150 billion for a year and added flexibility on the \$112 billion that is unspent from the CARES Act. Democrats have proposed \$900 billion for two years, but have signaled moving to \$500 billion per year.
- **Liability Protections**- Original proposals have softened a little bit around this front. Democrats are now requesting changes to the Labor Department's Occupational Safety and Health Administration (OSHA) to include more transparency and enforcement of established worker's protections that must be in compliance with CDC guidelines and ensure worker protections in reporting of violations. Mnuchin and Meadows are open to the proposal.
- **Broadband**- The two sides are close to agreement on \$12 billion in spending on broadband expansion efforts and have shown interest in a rural broadband plan proposed by Senator Joe Manchin (D-WV). However, there is some resistance to this among Senate Republicans.



Amid the impasse, President Trump has signaled his desire to move forward unilaterally with several executive orders to reinstate the expanded unemployment insurance benefits; reinstate a federal moratorium on evictions; suspend the payroll tax; and expand on student loan repayment options. President Trump told reporters Thursday he would “probably” issue orders on payroll taxes and other coronavirus-related issues Friday evening “or maybe the following morning,” if a deal on relief legislation is not reached. Mnuchin and Meadows on Friday afternoon told reporters that they will recommend President Trump issue the orders after not securing a deal with Congressional leaders. However, it is unclear if President Trump has the power to appropriate funding for these programs without the approval of Congress and these orders are likely to face legal challenges if issued.

Congressional leaders plan to remain in Washington to continue negotiations next week. Most lawmakers have returned to their home districts and will return to vote on a package once leadership signals an agreement has been reached. The inability to reach the contours of a deal flummoxed many DC-insiders this week while Congressional staff continued to work on a variety of proposals and language hoping negotiators soon will be back at the table. Perhaps once elected officials are home and hear directly from constituents about the challenges they are facing, more productive conversations will happen on Capitol Hill.

BUSINESS AND INDUSTRY

The Labor Department reported Initial claims for unemployment benefits fell to 1.19 million last week. The decline follows two weeks of increases in mid-July as states imposed new shutdowns. There are 31.3 million U.S. workers receiving jobless aid payments.

On Wall Street, the Dow Jones gained 3%, the S&P 500 about 2%, and the NASDAQ nearly 1.5% over the 5 day trading period.

Fed Study Details Pandemic’s Disproportionate Impact on Black-Owned Businesses

According to [a study published](#) by the New York Federal Reserve this week, the Black community has been disproportionately battered by the coronavirus, both economically and from a public health perspective. “The COVID-19 pandemic has exposed acute and deep-rooted connections between physical and economic health,” according to the Fed brief. “Many of the same places hit hardest by the pandemic are reeling concurrently from the health crisis, business closures, and job losses. These communities are disproportionately communities of color.” Thirty counties account for 40 percent of receipts from Black-owned businesses, and 19 of those areas — roughly two-thirds — have the highest number of coronavirus cases in the country. By contrast, counties with more white-owned firms have a lower share of cases.



HEALTH CARE

Moderna Details Pricing on Experimental Vaccine

Moderna [announced](#) it will charge between \$32 and \$37 a dose for its experimental coronavirus vaccine based on the quantity, charging less for higher volume orders. CEO Stéphane Bancel said the company will be charging “well below value” during the pandemic, but will follow market pricing once the virus is under control and considered endemic.

US Government Purchases More Coronavirus Vaccine Doses

The US Department of Health and Human Services (HHS) on Wednesday [announced](#) a deal worth approximately \$1 billion for the manufacturing of 100 million doses of a potential coronavirus vaccine from Johnson & Johnson. The government has the option to purchase another 200 million doses of the vaccine. HHS said the doses would be made available to Americans at no cost. This is one of several deals to purchase vaccine doses by the Trump Administration's Operation Warp Speed, which aims to make available 300 million doses of a safe and effective vaccine by January 2021.

President Trump Signs Executive Order to Make Telehealth Changes Permanent

On Monday, President Trump signed an [executive order](#) requesting HHS to issue rules within the next 60 days to make permanent some of the changes made to telehealth services enacted by Congress in federal relief legislation such as the CARES Act.

Novavax Vaccine Produces Encouraging Result in Early-Stage Human Studies

On Tuesday, Novavax reported that their experimental coronavirus vaccine provoked an immune response without any major side effects in an early-stage clinical trial. The Phase I safety study enrolled 131 people in Australia. Those who received a version of the vaccine containing an adjuvant — a chemical to increase the shot's immune-boosting power — produced a high level of antibodies with relatively mild side effects, the company said. The U.S. government has awarded Novavax \$1.6 billion to complete late-stage clinical development for the vaccine. The company is waiting on FDA to review its Phase I data and hopes to begin a Phase II trial in 1,500 people in the U.S. and Australia. It is already planning a pivotal Phase III trial expected to begin by late September that is designed to prove whether the shot works.

CONCLUSION

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

