



FROM:	Bose Public Affairs Group
DATE:	July 24, 2020
RE:	Weekly COVID-19 Update

BIG PICTURE

The United States has surpassed 4 million confirmed coronavirus cases, with infections continuing to rise at a record pace around the country. On Thursday, Alabama, Hawaii, Indiana, Missouri, and New Mexico all hit their single-day peak for new cases, while Florida and Tennessee had experienced more virus related deaths than any other day since the beginning of the pandemic. Congress returned to Washington this week following the two week Independence Day recess to begin negotiations on another relief package responding to the economic and public health crises caused by COVID-19. In Brussels, European Union (EU) leaders on Tuesday agreed to an unprecedented \$2 trillion spending plan to rebuild Europe's economy in its response to the pandemic.

[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

[CDC Publishes Updated Guidelines on Reopening Schools](#)

The Centers for Disease Control and Prevention (CDC) on Thursday [released a statement](#) along with new guidance encouraging schools to reopen this fall. "Reopening schools creates opportunity to invest in the education, well-being, and future of one of America's



greatest assets — our children — while taking every precaution to protect students, teachers, staff and all their families,” the new statement said. The package of materials repeatedly refers to children as low risk for being infected or transmitting the coronavirus. Information, however, is not included related to understanding the risk of spreading COVID-19 when children and educators are back together in the classroom. The new materials are meant to supplement guidance the CDC previously issued on when and how to safely reopen schools, with recommendations such as keeping desks six feet apart and keeping children in one classroom all day instead of allowing them to move around.

White House Signs Executive Orders on Drug Pricing

President Donald Trump on Friday afternoon announced signing a [series of executive orders](#) seeking to control rising drug prices. One order proposes tying some U.S. drug prices to the lower prices paid overseas through a mechanism known as the International Price Index. Another order aims to address drug importation and targeting the 340B program that gives deep discounts to hospitals. After fierce opposition from Republican lawmakers and pharmaceutical executives, the White House decided not to issue another order to address discounts known as “rebates,” that drug makers pay to negotiators known as pharmacy benefit managers (PBMs) from being enacted.

CONGRESS

Next Coronavirus Relief Package

Negotiations around the next coronavirus relief package kicked off Monday as lawmakers returned to Washington after a two-week recess. House Democrats passed their starting point proposal— the HEROES Act – in May, so much of the focus this week was on the development of the counter proposal by Senate Republicans and the White House.

Initially, reports indicated that Senate leadership and White House officials led by Secretary Mnuchin and Chief of Staff Mark Meadows spent the break sharing ideas for the next coronavirus legislation and had arrived at an agreement, which Senate Majority Leader Mitch McConnell (R-KY) was expected to unveil early in the week. However, McConnell was forced to delay the rollout of the reported \$1 trillion coronavirus relief package after differences between the White House and GOP leadership could not be finalized. The delay threatens to impact millions of unemployed Americans as the supplemental federal unemployment insurance benefit and eviction moratorium enacted by Congress in the CARES Act is set to expire next Friday, July 31, so the pressure is on.

Although McConnell has yet to release legislative language, some details about the bill have emerged. Here's where Democrats and Republicans stand on some key issues based on the latest reporting and details that have been made public:



Individual Rebate Checks

- Democrats propose another round of checks under CARES Act terms and conditions.
- The Republican position remains unclear. Earlier this month Leader McConnell floated maintaining the payment level but lowering the qualifying income level. Today Treasury Secretary Mnuchin appeared to indicate the administration supports the Democrats' proposal.

Enhanced Unemployment Insurance

- Democrats propose extending the current \$600/week payment through January 2021.
- Republicans could extend these payments at a lower weekly rate. The structure of unemployment insurance remains one of the biggest sticking points between the White House and Senate Republicans.

Payments to State and Local Governments

- Democrats proposed \$540 billion for states and \$375 billion for local governments.
- Republicans may propose giving governments additional flexibility to spend the \$150 billion they were previously provided.

Education

- While President Trump continues to push for schools to re-open, Democrats have increased their supplemental request to over \$300 billion from \$100 billion in May.
- Reports indicate the Republicans are proposing \$105 billion for K-12 and institutions of higher education, including \$30 billion available only to K-12 schools that reopen.

Health Care

- Democrats proposed \$100 billion to reimburse hospitals and health care providers, \$80 billion for COVID testing and vaccine development and a \$500 tax deduction to first responders and frontline workers.
- Reports indicate Republicans have proposed \$66 billion for testing, vaccine research, and NIH research and \$25 billion for hospitals and providers.

Liability Protection

- Democrats' bill did not contain liability provisions.
- Republicans may propose giving federal courts jurisdiction over coronavirus liability claims filed from December 2019 through 2024. Defendants would only be found liable if they did not make reasonable efforts to comply with public health guidelines.



As for next steps, Leader McConnell on Thursday stated, “the administration has requested additional time to review the fine details, but we will be laying down this proposal early next week. We have an agreement in principle on the shape of the package.” White House officials on Thursday began suggesting the idea of considering parts of the proposal through smaller pieces of legislation. Mnuchin said Thursday that “the time-sensitive issue we’re talking about is next Friday on unemployment and schools ... Some of this stuff, if it takes us a couple of weeks to work with the Democrats and agree on all the pieces we can.” Kids and jobs, he added, “That’s the priority for next week.” This idea was quickly rejected by Speaker of the House Nancy Pelosi (D-CA) who stated “we cannot piecemeal” another stimulus package.

House Subcommittee Examines Challenges to Reopening Schools

On Thursday, the House Education and Labor Subcommittee on Early Childhood, Elementary, and Secondary Education Subcommittee held a hearing titled, “Underfunded & Unprepared: Examining How to Overcome Obstacles to Safely Reopen Public Schools.” Throughout the testimony and question period, Penny Schwinn, Commissioner of Education, State of Tennessee and Michael Hinojosa, Superintendent, Dallas Independent School District, urged Congress to take actions that support community-based organizations and localities as they will know best how the coronavirus is spreading and what strategies will be most effective in supporting local school districts to reopen. They also pointed to expected budget shortfalls resulting from the stark decline in local tax revenues, advocating that additional federal funding is needed to support the safe and healthy return to learning in the fall. Dr. Sean O’Leary, Vice Chair, Committee on Infectious Diseases at the American Academy of Pediatrics (AAP), expressed the AAP’s view that after all the considerations on the impact of COVID-19 on children and schools, “our overall goal should be to have students physically present in school in the fall.” He did caution however, that the AAP’s guidance does not recommend a one-size-fits-all approach and that every locality should have the capacity to achieve this goal on the timeline and structure that fits the needs in their community. [More here.](#)

BUSINESS AND INDUSTRY

This week, after 15 consecutive weeks of declines in applications for unemployment, unemployment claims rose to 1.4 million, an increase of 100,000 from last week. This comes as states such as California, Florida, and Texas are requiring businesses to shut their doors once again in response to increasing numbers of coronavirus cases in those states. On Wall Street, the Dow Jones lost about 1%, the S&P 500 about .5%, and the NASDAQ nearly 1.5% over the 5 day trading period.

HEALTH CARE

British Vaccine Shows Immune Response in First Human Studies



On Monday, the Lancet medical journal [reported](#) that a vaccine developed by the University of Oxford and AstraZeneca produced positive immune responses that have lasted for nearly two months in the early-phases of a trial that involved more than one thousand health adults and showed even stronger immunity in the ten participants who offered to receive a second dose. The first trials of the vaccine began in April, combining the phase 1 safety trials with phase 2 trials that measure the strength of any immune response. The results specifically show that the vaccine induced not only a strong antibody response but also the production of immune cells called T cells, which the researchers point to as vital for developing a durable vaccine. AstraZeneca in May struck a \$1.2 billion deal to provide the U.S. with 300 million initial doses of the shot this fall. The company also promised the U.K. 100 million initial doses.

U.S. Government and Pfizer Reach \$2billion Deal for Doses of Expected Coronavirus Vaccine
The US Government will pay \$1.95 billion for 100 million doses of the experimental vaccine, being developed by Pfizer and BioNTech, so long as it is proven to be safe, the companies [announced](#) on Wednesday. The partner companies plan to be in a late-stage trial of the vaccine by the end of July -- meaning that 30,000 people will be able to receive the vaccine -- and to manufacture more than 1.3 billion doses by the end of 2021. Importantly, the vaccine would be free to all Americans. The deal provides the option for the government to buy an additional 500 million doses.

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.

