

COVID-19 Update: Federal Developments – Federal Government

News	Notes
<ul style="list-style-type: none"> On May 29, President Donald Trump announced that the U.S. will terminate its relationship with the World Health Organization (WHO), which he has alleged is under Chinese control and failed to provide accurate information about the spread of the coronavirus. 	
<ul style="list-style-type: none"> As of May 28, White House officials have decided not to release updated economic projections this summer, opting against publishing forecasts that would almost certainly codify an administration assessment that the coronavirus pandemic has led to a severe economic downturn. Traditionally, the White House unveils a federal budget proposal every February and then typically provides a ‘mid-session review’ in July or August with updated projections on economic trends such as unemployment, inflation and economic growth. Budget experts say they are not aware of any previous White House opting against providing forecasts in this ‘mid-session review’ document in any other year since at least the 1970s. 	
<ul style="list-style-type: none"> On May 19, the White House issued an Executive Order directing federal agencies to aid businesses by “rescinding, modifying, waiving, or providing exemptions from regulations and other requirements that may inhibit economic recovery.” The Executive Order also directed agencies to ensure businesses, especially small businesses, have the confidence necessary to reopen by providing clear guidance and recognizing the efforts of businesses to comply with often-complex regulations. Read more about the executive order here. 	
<ul style="list-style-type: none"> The Administration released its “COVID-19 Strategic Testing Plan” to Congress on May 24 as required by law. The 81-page document is prepared by the Department of Health and Human Services (HHS) and holds individual states responsible for planning and carrying out all coronavirus testing. According to the report, the federal government’s role is to “enable innovation, help scale supplies, and provide strategic guidance,” while states, territories and tribes are ultimately responsible for setting and meeting testing goals, with some help from private companies. 	
<ul style="list-style-type: none"> President Donald Trump signed on May 20 an executive order directing federal agencies to address the current economic emergency by “rescinding, modifying, waiving, or providing exemptions from regulations and other requirements that may inhibit economic recovery.” The order also encourages agencies to recognize the “efforts of businesses to comply with often-complex regulations in complicated and swiftly changing circumstances” and commit “to fairness in administrative enforcement and adjudication.” 	
<ul style="list-style-type: none"> At a White House briefing on the food supply chain on May 19, President Donald Trump announced the details of the United States Department of Agriculture’s (USDA) Coronavirus Food Assistance Program, including \$16 billion in direct payments split between compensation for losses of both specialty and non-specialty crops in the first four months of the year as well as compensation through the Commodity Credit Corporation Charter Act. 	
<ul style="list-style-type: none"> President Trump and Treasury Secretary Steven Mnuchin sent positive signals during a May 18 meeting with restaurant industry leaders seeking changes to the Paycheck Protection Program (PPP), which includes strict rules about how small 	

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<p>businesses are allowed to use the emergency loans. Some of these changes include the ability to spend more of the loan money on non-payroll expenses and a “technical fix” with regard to the eight-week window to spend PPP loan funds.</p>	
<ul style="list-style-type: none"> • President Donald Trump met on May 18 with members of the restaurant industry at a roundtable meeting at the White House to discuss the impact of COVID-19. Attendees included chefs and other restaurant executives, as well as representatives of the Independent Restaurant Coalition, a group organized during the pandemic to represent the interests of independent restaurants around the country. The coalition’s leadership includes José Andrés, Sam Kass, Andrew Zimmerman and Tom Colicchio. 	
<ul style="list-style-type: none"> • President Donald Trump formally announced on May 15 the appointment of Moncef Slaoui as chief advisor and General Gustave Perna as chief operating officer of Operation Warp Speed (OWS), the Administration's national program to accelerate development, manufacture and distribution of COVID-19 vaccines, therapeutics, and diagnostics. OWS aims to have large quantities of an effective vaccine available by January 2021. 	
<ul style="list-style-type: none"> • On May 14, the White House issued a Statement of Administration Policy (SAP) opposing the HEROES Act. The SAP outlined White House priorities for future additional legislation – “a payroll tax holiday, safe-harbor provisions to protect businesses from frivolous lawsuits, permitting reform to facilitate infrastructure projects, and other policies to spur our economic comeback.” 	
<ul style="list-style-type: none"> • The Mexican federal government announced it would ease restrictions on hundreds of counties starting on May 18 and move to gradually reopen the rest of the country on June 1. The announcement covers 15 states and include places with no confirmed coronavirus cases in the counties as well as neighboring counties. In addition, three major Mexican states on the U.S. border, Chihuahua, Coahuila, and Nuevo Leon, are cleared to fully reopen on June 1. U.S. businesses with manufacturing facilities and suppliers in Mexico urged the Mexican government to ease its restrictions, warning of potential supply chain disruptions. 	
<ul style="list-style-type: none"> • President Trump headed to Allentown, Pa., on May 14 to tour a medical equipment distributor. 	
<ul style="list-style-type: none"> • The Trump administration is moving to extend its coronavirus border restrictions indefinitely. On March 21, the CDC imposed a 30-day restriction on all non-essential travel into the United States from Mexico and Canada, which was extended for another 30 days on April 20. A new order is currently under review and once issued by Centers for Disease Control and Prevention (CDC) Director Dr. Robert R. Redfield, the border restrictions would stay in effect until he decides the virus no longer poses a threat. 	
<ul style="list-style-type: none"> • President Donald Trump plans to name Moncef Slaoui, the former head of GlaxoSmithKline’s vaccines division, and Gustave Perna, a four-star U.S. Army general, to lead a Manhattan Project-style effort to develop a vaccine for COVID-19. Slaoui and Perna will oversee the initiative, known as “Operation Warp Speed,” with a goal to produce 300 million doses of a COVID-19 vaccine by the end of 2020 by testing many different vaccine candidates and starting production before the vaccines complete clinical trials. 	

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<ul style="list-style-type: none"> • President Donald Trump addressed the nation's testing capabilities from the White House Rose Garden during an afternoon briefing on May 11. The briefing revealed the Administration’s plan to help states test at least 2% of their populations during May, amounting to at least 12.9 million tests, according to Brad Smith, director of the Center for Medicare and Medicaid Innovation. To meet this goal, the federal government is providing states with close to 13 million swabs and nearly 10 million tubes of chemicals used to transport testing samples. President Trump also revealed that the Administration plans to use a formula that considers a state’s number of infected citizens and total overall population to distribute the \$11 billion from the CARES Act slated for state testing efforts. 	
<ul style="list-style-type: none"> • While Congress continues to build a “CARES 2” proposal, as of May 11 the White House sees action on another stimulus package bill being six to eight weeks away —although that timeline could change. 	
<ul style="list-style-type: none"> • President Trump is visiting Philadelphia later in the week of May 11 and plans to hold an event focused on highlighting the government’s preparations for a fall surge of COVID-19 cases. Part of that effort will begin at a 4 p.m. press briefing on May 11. 	
<ul style="list-style-type: none"> • ABA joined other food and consumer products trade groups today in sending a letter to Vice President Mike Pence asking for more guidance on the steps they should take as they prepare to reopen. You can read the letter here. 	
<ul style="list-style-type: none"> • In Oval Office remarks honoring nurses made on May 6, President Donald Trump reversed comments made earlier in the week about the Administration phasing out the White House’s coronavirus task force and shifting the efforts to individual departments and agencies. The President said he received numerous calls urging him to keep the group in place for the foreseeable future, but said two or three people would be added and an announcement would be made on May 11. He added a few people who had been involved in things such as procuring ventilators and building facilities for beds may take a lesser role. 	
<ul style="list-style-type: none"> • During the week of May 11, the House Energy and Commerce Committee will hear the testimony of Rick Bright, the former chief of the Biomedical Advanced Research and Development Agency. Bright filed a whistleblower complaint on May 5 . 	
<ul style="list-style-type: none"> • President Donald Trump took part in a Fox News virtual town hall – “America Together: Returning to Work” – on the evening of May 3. He said the administration is not “doing anything” legislatively without a payroll tax cut and that he is “very confident” there would be a vaccine by the end of the year. 	
<ul style="list-style-type: none"> • The White House’s 30-day social distancing guidelines expired April 30. 	
<ul style="list-style-type: none"> • President Trump signed a proclamation on April 30 to declare May 'Older Americans Month,' outlining steps to protect seniors from the coronavirus. 	

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<ul style="list-style-type: none"> • President Donald Trump will participate in “America Together: Returning to Work,” a virtual town hall to be televised live from the Lincoln Memorial on the evening of May 3. 	
<ul style="list-style-type: none"> • The White House Office of Intergovernmental Affairs held a National COVID-19 briefing call late in the afternoon of April 29. The call was for state, local, county and municipal officials. No further information is available. 	
<ul style="list-style-type: none"> • The Administration has released an Action Plan for the expansion of COVID-19 testing and a Testing Blueprint for states as they expand testing capabilities. Vice President Mike Pence indicated the Blueprint for testing is a “continuation” of the Administration’s April 16 reopening guidelines for states. Dr. Anthony Fauci said the United States should “at least double” coronavirus testing. Partners in the effort include Walgreens, Walmart, CVS, Rite Aid, Kroger, Thermo Fisher, U.S. Cotton, LabCorp, Quest Diagnostics and the American Clinical Laboratory Association. <ul style="list-style-type: none"> ○ CVS Health expects to have 1,000 testing locations capable of conducting 1.5 million tests per month fully operational by the end of May. Testing will be scheduled online and will occur in parking lots or in drive-thru windows, not in CVS stores. 	
<ul style="list-style-type: none"> • The Trump Administration notified Congress on April 24 that the U.S.-Mexico-Canada Agreement (USMCA) will take effect on July 1. 	
<ul style="list-style-type: none"> • President Trump is expected to sign an Executive Order today blocking some individuals for 60 days from receiving a permanent residency visa or green card. However, the order will include exemptions, including visas for temporary employees, including farm laborers, a carve out for essential employees, including health care workers, and immigrants who come into the United States through immediate family members. 	
<ul style="list-style-type: none"> • President Trump announced late on April 20 that he plans to issue an Executive Order suspending immigration into the country. The Department of Homeland Security is still drafting the order; the parameters of this suspension are not yet clear. 	
<ul style="list-style-type: none"> • The White House released an Executive Order on April 19 asserting the legal authority for Customs and Border Patrol (CBP) to defer duty payments. Additionally, CBP released guidance detailing the scope of the 90-day duty deferral, clarifying deferrals only apply to payment of Most Favored Nation (MFN) duties and importers must be experiencing “significant financial hardship” due to COVID-19. 	
<ul style="list-style-type: none"> • The Office of Management and Budget (OMB) and Office of Personnel Management (OPM) on April 20 released guidelines regarding reopening of the federal government, mirroring the three-phase national reopening guidelines. Agencies are encouraged to continue mandatory telework whenever feasible with agency needs before returning to optimized operations. The availability of hygiene supplies, maintenance of facility cleanliness, and ability to maintain social distancing to the extent practical should be considered. 	

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<ul style="list-style-type: none"> On April 16, President Trump unveiled guidelines for “Opening Up America Again.” The guidelines provide governors and local leaders criteria – symptoms, cases and hospital capacity – and a phased approach to consider in deciding when and how to lift stay at home restrictions. 	
<ul style="list-style-type: none"> On April 15, ABA joined the larger food and beverage industry in asking the U.S. Department of Agriculture (USDA) to extend the compliance date for the National Bioengineered Food Disclosure Standard (NBFDS or rule). This extension is being sought because the food and beverage industry and regulatory agencies are necessarily focused on COVID-19 and unable to devote resources to new labeling schemes. Read the letter here. 	
<ul style="list-style-type: none"> On April 14, President Trump announced the creation of the Great American Economic Revival Industry Groups. This group includes two ABA member company representatives — The Coca-Cola Company’s James Quincey and PepsiCo’s Ramon Laguarta. See full announcement here. 	
<ul style="list-style-type: none"> On April 8, President Trump unveiled a new hashtag to highlight Americans helping one another during the coronavirus pandemic. The President will use the #AmericaWorksTogether hashtag to promote companies that are hiring employees in the middle of the economic turmoil caused by COVID-19, as well as those who are donating food and other supplies to front line healthcare workers. 	
<ul style="list-style-type: none"> On March 29, President Trump extended the social distancing guidance to April 30. 	
<ul style="list-style-type: none"> The implementation of the new North American trade pact – the U.S.–Mexico-Canada Agreement (USMCA) – may be delayed past the June 1 deadline. Each of the three countries are due to exchange letters before April 1 certifying that they’ve met all their obligations needed for the deal to enter into force — namely, developing uniform standards for automotive rules of origin. If these letters are not exchanged on time, it could push overall implementation to mid-summer at the earliest. This delay is being attributed to COVID-19. 	
<ul style="list-style-type: none"> At the request of the American Trucking Association, the Fraternal Order of Police sent a letter to the President requesting that truck drivers, truck stop and rest area workers, maintenance and repair technicians, dispatchers, towing/recovery and roadside assistance workers, warehouse workers, and intermodal transportation personnel be considered essential critical infrastructure workers for the duration of the COVID-19 pandemic. They urged that the guidelines defining essential critical infrastructure workers that were issued by the U.S. Department of Homeland Security be consistently applied by all State and local governments. 	
<ul style="list-style-type: none"> On March 18, ABA sent a letter to the Trump Administration requesting specific actions to assist the industry and others in food and beverage manufacturing and distribution in operating their businesses effectively in order to meet critical needs during this national emergency. They include: essential services exemptions to ensure continuous delivery of essential services; federal action on truck weight restricts to deliver more essential goods; and clarification on hours of service guidance issued earlier this week by the Federal Motor Carrier Safety Administration (FMCSA). The letter was sent to targeted media outlets, all of which covered: Politico Influence Newsletter, Beverage Digest and BevNet. 	

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<ul style="list-style-type: none">• As more states like California and New York are ordering its millions of residents to stay home because of the coronavirus, the U.S. Department of Homeland Security (DHS) has listed which industries and workers are “essential” to fighting the pandemic. See here for the list.	
<ul style="list-style-type: none">• Federal workers have been given maximum flexibility to telework.	