



March 23, 2020

## ACG Coronavirus Evening Update

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### OVERVIEW

- The [number of deaths](#) world-wide surpassed 16,000, with more than 370,000 confirmed cases. The U.S. has the third-highest number of cases with over 40,000 confirmed cases and more than 550 deaths. President Donald Trump approved a major disaster declaration and activated National Guard units for California, New York and Washington.

### RESOURCES

- [House Democrat Draft Bill](#) and [Summary](#)
- [Senate Republican Draft Bill](#) and [Summary](#)
- [Coronavirus International Travel Updates](#) and [A Guide to State Coronavirus Lockdowns](#)
- [COVID-19 Treatment and Vaccine Tracker](#)
- [Guidance on the Essential Critical Infrastructure Workforce](#)
- [Summary of Families First Coronavirus Response Act \(H.R. 6201\)](#)
- [List of House Democrats Coronavirus staff points of contact](#)
- [List of canceled events and public gatherings in the U.S. \(updated daily\)](#)

### ADMINISTRATION

- Trump revealed the Covid-19 High Performance Computing Consortium, a partnership that includes IBM, Department of Energy national laboratories, Alphabet Inc.'s Google Cloud, Amazon.com Inc.'s Amazon Web Services, Microsoft Corp., and others. The U.S. government and IBM are giving researchers access to at least 16 supercomputers to facilitate the discovery of vaccines and drugs to treat coronavirus. Researchers will be able to submit coronavirus-related projects through a website and representatives from the consortium will approve the projects based on the feasibility and rate of impact.
- Earlier this month, Trump issued an executive order invoking the Defense Production Act. During yesterday's press conference, Trump said enough companies were volunteering to manufacture masks and other protective gear, so mandating production of supplies was not necessary. Trump also said that Ford Motor Co, General Motors Co, and Tesla Inc will produce ventilators and other items needed during the coronavirus outbreak. He also announced that "Honeywell will immediately expand its personal protective equipment manufacturing operations in Rhode Island to produce millions of additional N-95 masks." In addition, Fiat Chrysler Automobiles NV plans to convert a factory in China to produce face masks for donation to health workers in the U.S. Fiat Chrysler Chief Executive Michael Manley said the company plans to produce more than a million face masks a month at the converted plant.

### CONGRESS

- For the second time, the Senate failed to clear a key procedural vote to advance the CARES Act with 49 votes in favor and 46 against, falling short of the 60-vote threshold. Democratic lawmakers are pushing for more controls on the Exchange Stabilization Fund, unemployment insurance support, funding for hospitals, and a State Stabilization Fund to help state and local governments. It is not clear when the package will be put to a vote again, but Senate Majority Leader Mitch McConnell (R-KY) said it may be several days. “This has got to stop. And today is the day it has to stop. The country is out of time,” McConnell remarked on the Senate Floor. Meanwhile, Senate Minority Leader Chuck Schumer (D-NY) met again with Treasury Secretary Steven Mnuchin and White House legislative affairs director Eric Ueland this morning. Schumer said he was confident that negotiators will reach an agreement soon.
- Speaker Nancy Pelosi (D-CA) released a draft of the House Democrats’ third coronavirus response bill this morning. Pelosi said the proposal would expand funding for unemployment insurance, offer student loan relief, expand food stamps, and bar corporations that receive federal help from buying back stocks or firing employees, among other provisions. Pelosi also said she intends to have the House return to Washington to vote unless the Senate can reach a deal that the House supports. Find the draft House bill [here](#) and a summary [here](#).

## Financial Update

- [Federal Reserve announces extensive new measures to support the economy:](#)
  - Support for critical market functioning. The Federal Open Market Committee (FOMC) will purchase Treasury securities and agency mortgage-backed securities in the amounts needed to support smooth market functioning and effective transmission of monetary policy to broader financial conditions and the economy. The FOMC had previously announced plans to purchase least \$500 billion of Treasury securities and at least \$200 billion of mortgage-backed securities. In addition, the [FOMC will include purchases of agency commercial mortgage-backed securities in its agency mortgage-backed security purchases](#).
  - Supporting the flow of credit to employers, consumers, and businesses by establishing new programs that, taken together, will provide up to \$300 billion in new financing. The Department of the Treasury, using the Exchange Stabilization Fund (ESF), will provide \$30 billion in equity to these facilities.
  - Establishment of two facilities to support credit to large employers – the Primary Market Corporate Credit Facility (PMCCF) for new bond and loan issuance and the Secondary Market Corporate Credit Facility (SMCCF) to provide liquidity for outstanding corporate bonds.
  - Establishment of a third facility, the Term Asset-Backed Securities Loan Facility (TALF), to support the flow of credit to consumers and businesses. The TALF will enable the issuance of asset-backed securities (ABS) backed by student loans, auto loans, credit card loans, loans guaranteed by the Small Business Administration (SBA), and certain other assets.
  - Facilitating the flow of credit to municipalities by expanding the Money Market Mutual Fund Liquidity Facility (MMLF) to include a wider range of securities, including municipal variable rate demand notes (VRDNs) and bank certificates of deposit.

- Facilitating the flow of credit to municipalities by expanding the Commercial Paper Funding Facility (CPFF) to include high-quality, tax-exempt commercial paper as eligible securities. In addition, the pricing of the facility has been reduced.
- In addition to the steps above, the Federal Reserve expects to announce soon the establishment of a Main Street Business Lending Program to support lending to eligible small-and-medium sized businesses, complementing efforts by the SBA.