

COVID-19 Daily Update

April 14, 2020

Summary

The United States has 592,743 confirmed COVID-19 cases and 24,737 reported related deaths. The International Monetary Fund (IMF) warned that the global economy faces its worst downturn since the Great Depression. IMF projects that the world economy will contract by 3% in 2020, a reversal from the 3.3% growth rate estimated earlier this year. Dr. Fauci stated that a May 1 target date for the reopening of the nation's economy is "a bit optimistic" due to the lack of critical testing and tracing procedures. The IRS has begun to distribute stimulus checks under the federal CARES Act; 50 to 70 million Americans are expected to receive their payments via direct deposit by Wednesday, April 15. The Census Bureau plans to ask Congress for a four month extension to provide the finalized population figures used for congressional redistricting.

Lawyers in Maryland, Pennsylvania, and Texas are calling for a mass release of juvenile offenders with underlying health conditions from detention centers. Some states were quick to release adult nonviolent offenders, but have yet to do so for incarcerated youth. Governors of seven states in the Northeast, including Connecticut, Delaware, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island, have formed a coalition to develop a coordinated plan to ease social distancing measures. The governors of California, Oregon and Washington reached a similar pact. President Trump reasserted his authority to compel states to lift stay-at-home orders.

Governor Cuomo believes that New York State is at the apex of its current COVID-19 outbreak. The number of virus patients in hospitals across the state dropped about 1% while the number of intubated patients fell slightly for a second straight day. The one-day death toll in New York State rose to 778 after declining for two days. In May, manufacturers and labs in New York City will begin to supply 50,000 test kits per week. New York City plans to begin purchasing another 50,000 test kits a week from a company in Indiana. Governor Cuomo expressed doubt that the City would receive these test kits, because of the fierce competition among governments for the limited supplies of equipment.

General/Employer Guidance

Presidential updates

- [Trump Claims 'Ultimate Authority' to Override States' Virus Measures](#), April 14
 - Governors of seven states in the Northeast formed a coalition to fight the virus and to start planning to reopen businesses. The governors of California, Oregon and Washington reached a similar pact.
 - In a Twitter [post](#), the President compared the governors to British mutineers in the 1700s who took over a ship from a captain they believed was abusing his crew. President Trump has repeatedly asserted that he has the unilateral power to compel states to lift stay-at-home orders.
 - New York Governor Cuomo recently warned that if the President tried to force an economic reopening on the states, it could lead to “a constitutional crisis like you haven’t seen in decades, where states tell the federal government: ‘we’re not going to follow your order.’”

- [Trump Leaps to Call Shots on Reopening Nation, Setting Up Standoff With Governors](#), April 13
 - President Trump declared that he alone would make the decision about when and how to reopen the country. Trump stated that “numerous provisions” of the Constitution give the president the power to override the states, and that states “can’t do anything without the approval of the president.”
 - President Trump suggested that if a governor declined to follow this plan, they would pay a price – noting that “if some states refuse to open, I would like to see that person run for election.”
 - The President presented a [video](#), produced by his social media team, to defend his response to the pandemic. The video included video clips of Trump taking action to confront the virus and recordings of early “mainstream media” reports that had minimized risk of COVID-19.

- [Memorandum on Providing Federal Support for Governors' Use of the National Guard to Respond to COVID-19](#), April 14
 - President Trump issued an order directing the Secretary of Defense to request that the governors of the following states order National Guard forces to engage in emergency COVID-19 assistance: Iowa, Kansas, Maine, Nebraska, Oklahoma, and Vermont.
 - The President also directed FEMA to fund 100% of the emergency assistance activities undertaken by the National Guard in these states. The federal cost share is effective for orders of duty of 31 days or fewer.

World Health Organization (WHO)

- [WHO Director-General's opening remarks at media briefing on COVID-19](#), April 13
 - WHO Director-General Tedros warned that decisions to lift social distancing restrictions must be data-driven and based on protecting human health.
 - WHO noted, in some countries, COVID-19 cases are doubling every three to four days. WHO warns that COVID-19 accelerates quickly but that it decelerates much more slowly; as such, control measures must be lifted gradually.

- WHO stated that the development and delivery of a safe and effective vaccine will be needed to fully interrupt COVID-19 transmission.

U.S. Centers for Disease Control and Prevention (CDC)

- [*Timing of Community Mitigation and Changes in Reported Community Mobility*](#), April 14
 - A recent study, published by CDC as a preprint, reviewed the effectiveness of community mitigation measures in Seattle, San Francisco, and New Orleans, and New York City.
 - The study found that, although voluntary adoption of social distancing by the public and community organizations is possible, public policies—like stay-at-home orders—can enhance implementation of mitigation measures. In the surveyed areas, as the number of cumulative COVID-19 cases increased and more mitigation policies were implemented, community mobility declined. Awareness and concern about the potential scope of the outbreak likely affected the public, leading to further decreases in mobility.
- [*COVID-19 and Pets*](#), April 13
 - CDC issued updated guidance on pets and COVID-19. There is no evidence that pets can spread COVID-19 to people or that they might be a source of infection in the United States. CDC is aware of a very small number of pets outside the United States reported to be infected with the virus that causes COVID-19 after close contact with infected people.

New York State

- [*Another 778 people died in New York State*](#), April 14
 - Governor Cuomo stated that “we think we are at the apex.” The one-day death toll in New York State rose to 778 after declining for two days. The State has 10,834 reported virus-related deaths. The number of virus patients in hospitals across the state dropped by one percent while the number of intubated patients fell slightly for a second straight day.
 - Governor Cuomo noted that he wants “total partnership and cooperation” with President Trump and stated that “this is too important for anyone to play politics.”
- [*Governor Cuomo Announces Multi-State COVID-19 Council*](#), April 13
 - Governors of seven states in the Northeast — Connecticut, Delaware, Massachusetts, New Jersey, New York, Pennsylvania and Rhode Island — have formed a coalition to discuss how to gradually lift stay-at-home orders. The coordinating group is comprised of health and economic development experts, and the chiefs of staff from each state.
- [*Coalition Urging Government to Ensure Delivery of Emergency Stimulus Payments*](#), April 13
 - A bipartisan coalition of 25 attorneys general sent a [letter](#) to Treasury Secretary Mnuchin, calling on the Treasury to take action to ensure Coronavirus Aid, Relief, and Economic Security Act (CARES Act) stimulus payments are received by American families. Recommended actions include issuing regulations or guidance designating CARES payments as “benefits payments” exempt from garnishment from creditors.

- A coalition of 23 attorneys general issued a [letter](#) to the Consumer Financial Protection Bureau (CFPB). The coalition demands that CFPB require both lenders and credit reporting agencies to meet their obligations under the Fair Credit Reporting Act during the COVID-19 crisis.

New York City

- [Mayor de Blasio Holds Media Availability on COVID-19](#), April 13
 - Mayor de Blasio re-emphasized three key indicators of COVID-19 progress: the daily number of people admitted to hospitals for suspected COVID-19; the daily number of people in the ICU across NYC Health + Hospitals facilities; and the percentage of people who test positive for COVID-19. On Monday April 13, all three indicators moved downward.
 - The City announced a new \$10 million advertising campaign to disseminate information on COVID-19 to 88 of the hardest hit communities.
 - The City called on New York State to extend the current moratorium on evictions to 60 days after New York's state of emergency ends. The City is launching a tenant rights hotline through 3-1-1.

Other Related Updates

- [Federal Trade Commission and Justice Department Issue Joint Statement Announcing They are on Alert for Collusion in U.S. Labor Markets](#), April 13
 - The Federal Trade Commission (FTC) and the Department of Justice (DOJ) issued a joint statement on the enforcement of antitrust laws during the pandemic.
 - FTC and DOJ are on alert for employers, staffing companies, and recruiters, engaging in anticompetitive conduct in labor markets, such as agreements to lower wages or to reduce salaries or hours worked.
 - Companies and individuals who enter into unlawful wage-fixing and no-poach agreements may be criminally prosecuted by DOJ's Antitrust Division, and those that invite collusion may be subject to civil enforcement by the FTC, even absent a collusive agreement. The agencies may also use their civil enforcement authority to challenge unilateral anticompetitive conduct by employers that harms competition in a labor market.
- [FEMA Floodplain Considerations for Temporary Critical Facilities](#), April 13
 - FEMA issued guidance on the location of temporary medical facilities and their ability to operate in the event of a flood. All critical facilities, including those of a temporary nature, should be located outside all high-risk flood hazard areas. Critical facilities are likely to have occupants who may not be sufficiently mobile to evacuate in order to avoid injury or death during a flood.
- [FDA COVID-19 Update: Daily Roundup](#), April 13
 - FDA published [guidance](#) to support the generic drug development of chloroquine phosphate and hydroxychloroquine sulfate. FDA is currently prioritizing review of any newly submitted Abbreviated New Drug Applications (ANDAs) for the two drugs.

- FDA issued a [consumer update](#) on how individuals can assist during the pandemic. FDA recommends donating blood, saving protective equipment for front line workers, and reporting fraudulent products to the Agency.
 - FDA addressed [frequently asked questions](#) on the unintentional ingestion of hand sanitizer by children. There has been an increase in calls to Poison Control for unintentional ingestion of hand sanitizer during the COVID-19 pandemic.
 - FDA issued an [Emergency Use Authorization](#) (EUA) for the use of the Perfusor Space Syringe Infusion Pump System to administer continuous nebulized medications via tracheal delivery in patients with COVID-19.
 - FDA issued an [EUA](#) to Advanced Sterilization Products, Inc. for a device that has the potential to decontaminate approximately 4 million compatible N95 respirators per day for reuse by health care workers in hospital settings.
- [HHS Announces New Ventilator Contracts](#), April 13
 - HHS announced new contracts for ventilator production under the Defense Production Act (DPA) with General Electric, Hill-Rom, Medtronic, ResMed, Vyaire, Hamilton, and Zoll.
 - Including earlier agreements with General Motors and Philips, HHS has finalized contracts to supply 6,190 ventilators for the Strategic National Stockpile by May 8 and 29,510 by June 1. The seven new ventilator contracts announced by HHS this month will provide a total of 137,431 ventilators by the end of 2020.
 - [HHS facilitates development of immunotherapies for COVID-19 patients](#), April 13
 - HHS announced a collaboration with non-governmental organizations to develop convalescent plasma and hyperimmune globulin immunotherapies. The treatments will use antibodies from individuals who have recovered from COVID-19. The treatments are intended to stimulate the immune systems of people currently ill from the virus.
 - [Department of Labor COVID-19 Updates](#), April 13
 - The Occupational Safety and Health Administration (OSHA) announced an [interim enforcement response plan](#) that offers instructions for compliance safety and health officers to handle COVID-19 complaints, referrals, and severe illness reports.
 - OSHA issued an [alert](#) listing safety tips for employers to help protect package delivery workers from exposure to COVID-19. Recommended safety measures include: implementing staggered work shifts, minimizing interaction between drivers and customers, and encouraging workers to report any safety or health concerns.

Other recent events covered in detail elsewhere:

- [Managing Volatility in a Pandemic? Document your Derivatives Transactions Appropriately](#), April 13
- [Annual Meetings, Compensation and COVID-19: Where Things Stand](#), April 13

Send questions to COVID-19-Implications@ropesgray.com