

COVID-19 Daily Update

April 16, 2020

Summary

The United States has 641,166 confirmed COVID-19 cases and 31,590 reported related deaths. The Department of Labor reports that another 5.2 million workers filed initial claims for unemployment benefits last week. More than 22 million workers have filed for unemployment benefits over the last four weeks. The Small Business Administration announced that the Paycheck Protection Program has run out of funds. Congress initially allocated \$349 billion for the program which provides loans to businesses with 500 or fewer employees. Treasury Secretary Mnuchin is expected to resume negotiations with lawmakers to add another \$250 billion to the fund. President Trump plans to announce new federal guidelines on social distancing on Thursday, in a bid to move the country closer to reopening the economy. Trump called the latest data “encouraging” and suggested that some states could ease restrictions before May 1.

Protesters in Michigan, Texas, Oregon, and Washington urge governors to reopen businesses and relax social distancing rules. The demonstrations are a sign that, despite the rising death toll, some workers are growing agitated about lost wages and movement restrictions. Los Angeles Mayor Garcetti told a group of high-level staffers that “large gatherings” – including sporting events – could remain banned until at least 2021 because of the pandemic. Massachusetts is the first state to invest in an ambitious contact-tracing program, budgeting \$44 million to hire 1,000 people to track down and warn people who have been exposed to COVID-19.

New York extended its shutdown of non-essential businesses to May 15. Governor Cuomo urged people to prepare for a “new normal” and asked businesses to “reimagine” workplaces to sustain social distance and use telecommuting more regularly. Cuomo signaled that “more-essential” businesses with a low infection risk would be prioritized for reopening. New York reported 606 virus-related deaths, the lowest recorded number in 10 days. New York will require people to wear face coverings in public places where they cannot stay six feet away from others. Those who violate the rules could face fines. Connecticut plans to issue an order “strongly” advising residents to wear masks in crowds and stores. Health officials have urged people to combine face coverings with adhering to social-distancing rules, suggesting that one tactic did not replace the need for the other.

General/Employer Guidance

Presidential updates

- [Remarks by President Trump, Vice President Pence, and Members of the Coronavirus Task Force in Press Briefing](#), April 15
 - President Trump plans to announce new federal guidelines on social distancing on Thursday, in a bid to move the country closer to reopening the economy. Trump called the latest data “encouraging” and suggested that some states could ease restrictions before May 1. Dr. Birx noted that the nation is “improving” but must remain committed to social distancing.
 - President Trump questioned the accuracy of China’s official death toll and plans to look into a theory that the infection originated in a Chinese laboratory.

- [The White House’s council to reopen the country struggles to open itself](#), April 15
 - President Trump recently announced the creation of the “Great American Economic Revival Industry Groups,” a collection of more than 200 advisers, to counsel the President on how and when to reopen the economy.
 - Some businesses, including Cisco Systems and McDonalds, report that they did not have notice of their inclusion on the list. Richard Trumka, the president of AFL-CIO, stated that he was not asked whether he would join the group before his name was announced as a participant. Pfizer reports receiving notice an hour before the announcement, with no information on how many other companies were involved or what the purpose of the group was.
 - The President participated in four calls with industry group members. Trump encountered resistance to his enthusiasm for reopening the country quickly. There was a consensus that more testing is needed before the economy could reopen. Other executives were concerned about the liability companies could face if employees got sick after returning to work. Executives suggested that workers who felt they were brought back too soon or were not placed in a safe environment could sue en masse.

World Health Organization (WHO)

- [WHO COVID-19 Dashboard](#), April 15
 - WHO updated its COVID-19 information dashboard to include daily statistics on confirmed COVID-19 cases and deaths. National information is available through the interactive map. WHO plans to include new sub-national data sets, clinical trial information, and country-specific public health measures.

- [Alcohol Consumption and COVID-19](#), April 14
 - WHO urges people to minimize their alcohol consumption during the COVID-19 pandemic. WHO warned that alcohol consumption compromises the body’s immune system and increases the risk of adverse health outcomes for individuals who contract COVID-19.
 - WHO notes that alcohol consumption may put those with mental health issues or a history of alcohol-use disorders at greater risk due to increased self-isolation. It may also heighten the incidence of domestic violence. WHO urges countries to uphold existing regulations on restricting alcohol access during the COVID-19 pandemic.

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

- [Updated CDC Guidance for Public Health Communicators and Public Labs](#), April 15
 - CDC issued new [guidance](#) for public health information officers and educators on the use of non-pharmaceutical interventions during the COVID-19 pandemic. CDC recommends strengthening existing communications before an outbreak, instating emergency prevention plans during an outbreak, and distributing information to achieve behavior change after the outbreak has ended.
 - CDC [highlighted](#) its Laboratory Outreach Communication System (LOCS), a messaging system designed to answer questions from clinical laboratories and provide real-time information on diagnostic testing issues.

New York State

- [Governor Cuomo Extends Shutdown to May 15, Braces New York for a “New Normal”](#), April 16
 - New York extended its shutdown of non-essential businesses to May 15; the lockdown was previously scheduled to end on April 30. Governor Cuomo reiterated his plan to coordinate with other states in the region to gradually reopen commerce.
 - Governor Cuomo urged people to prepare for a “new normal” and asked businesses to “reimagine” workplaces to sustain social distance and use telecommuting more regularly.
 - Cuomo signaled that “more-essential” businesses with a low infection risk would be prioritized for reopening. “Less-essential” industries with a high infection risk would be the “last priority — dependent on infection decline and precautions put in place.”
 - New York reported 606 virus-related deaths, the lowest recorded daily total in 10 days. The State’s total reported death toll is 12,192.
- [New York Attorney General Issues Guidance on the Paycheck Protection Program for Small Businesses](#), April 16
 - New York Attorney General James issued [guidance](#) for small businesses with information on how to apply for Paycheck Protection Program loans and how to protect against fraud.
 - The Paycheck Protection Program (PPP) is a federal initiative created by the \$2.2 trillion stimulus package. Congress initially allocated \$349 billion for the program which provides loans to businesses with 500 or fewer employees. PPP lenders are not permitted to charge borrowers fees, and the interest rate for all PPP loans are set at 1%.
 - The Small Business Administration recently [announced](#) that the Paycheck Protection Program has run out of funds after more than 1.4 million loans have been approved. Treasury Secretary Mnuchin is expected to resume negotiations with lawmakers to add another \$250 billion to the fund.
- [Governor Cuomo Issues Executive Order Requiring Masks Public](#), April 15
 - Governor Cuomo issued an [executive order](#) requiring all people in New York to wear a mask or a face covering when in public where social distancing cannot be maintained. The order is effective from April 17 through May 15.

- New York will begin conducting antibody testing this week using a finger prick test. Testing efforts will prioritize first responders and essential workers. Antibody testing determines whether someone was exposed to the virus and has developed immunity. The State has the capacity to test up to 2,000 people per day.
- Governor Cuomo plans to issue an executive order requiring nursing homes to report positive COVID-19 cases and deaths to families of facility residents within 24 hours. Cuomo plans to issue an executive order allowing individuals assisting with COVID-19 response efforts to stay in a hotel in New York City for more than 28 days without becoming a tenant.

New York City

- [*Mayor de Blasio Unveils Budget Plan Prioritizing Health, Safety, and Food Access*](#), April 16
 - Mayor de Blasio released New York City’s [executive budget](#) for 2021. The City projects a \$7.4 billion reduction in tax revenue over 2020 and 2021 due to a decline in sales and hotel tax, personal income tax, and business taxes from COVID-19.
 - The City has spent more than \$700 million to fight COVID-19 which includes \$200 million for personal protective equipment, \$50 million for small business loans, \$100 million to increase Health + Hospitals staffing, and \$170 million to increase food security. The City expects to spend \$3.5 billion on COVID-19 relief efforts by the end of the calendar year.
- [*NYC Department of Health Guidance for Businesses and Non-Health Care Settings*](#), April 16
 - The New York City Department of Health (NYCDOH) updated COVID-19 recommendations for businesses and other non-health care settings, including retail and food establishments. NYCDOH guidance implements Governor Cuomo’s [executive order](#) requiring that essential business employees wear face coverings.
 - NYCDOH requires that all employees wear face coverings when customers are present, effective April 15 at 8 PM. Employers must provide face coverings for all employees at no cost to employees. NYC DOH defines a face covering as any well-secured paper or cloth that covers the nose and mouth. It is essential that staff continue to practice physical distance and good hand hygiene even when wearing a face covering.

Other Related Updates

- [*Department of Labor Unemployment Insurance Weekly Claims Report*](#), April 16
 - The Department of Labor (DOL) reports that 5.2 million workers filed initial claims for unemployment benefits last week. More than 22 million workers have filed for unemployment benefits over the last four weeks. By comparison, the labor market added 21.5 million jobs since the Great Recession in 2008. This was the fifth straight week DOL issued a statement attributing a rise in unemployment claims to layoffs as a result of the COVID-19 outbreak.
- [*FDA COVID-19 Update: Daily Roundup*](#), April 16
 - FDA posted [a summary](#) of its major actions related to medical products, vaccines, therapeutics, and food supply during the COVID-19 crisis.

- FDA issued [guidance](#) to expand the availability of digital health devices for treating psychiatric disorders to reduce patient-provider contact and exposure to COVID-19.
 - FDA issued two [new emergency use authorizations](#) (EUAs) for serology tests to detect for the presence of coronavirus antibodies.
 - FDA issued an [EUA](#) to Stryker Instrument for its Sterizone device to decontaminate compatible N95 respirators for single-user reuse by health care personnel.
 - FDA and the Federal Trade Commission (FTC) issued a [warning letter](#) to Earth Angel Oils for selling unapproved and misbranded drugs for the prevention and treatment of COVID-19.
 - FDA [encouraged](#) recovered COVID-19 patients to donate convalescent plasma for the development of blood-related therapies. Convalescent plasma is an antibody-rich product made from blood donated by people who have recovered from the disease caused by the virus. Data suggest that convalescent plasma has the potential to lessen the severity or shorten the length of illness caused by COVID-19.
- [NIH study validates decontamination methods for re-use of N95 respirators](#), April 15
 - A recent study conducted by the National Institute of Health (NIH) found that N95 respirators can be decontaminated effectively and maintain functional integrity for up to three uses. The decontamination methods tested include vaporized hydrogen peroxide (VHP), 70-degree Celsius dry heat, ultraviolet light, and 70% ethanol spray.
 - All four methods eliminated detectable viable virus from the N95 fabric test samples. Ethanol spray damaged the integrity of the respirator's fit and seal after two decontamination sessions and is therefore not recommended for decontaminating N95 respirators. UV and heat-treated respirators began showing fit and seal problems after three decontaminations — suggesting these respirators potentially could be re-used twice. The VHP-treated masks experienced no failures, suggesting they potentially could be re-used three times.
 - Researchers urge anyone decontaminating an N95 respirator to check the fit and seal over the face before each re-use.
- [Visualizing Speech-Generated Oral Fluid Droplets with Laser Light Scattering](#), April 15
 - A recent study in the New England Journal of Medicine used a laser in a darkened box to visualize droplets that are generated during speech. These droplets can harbor infectious virus particles. Some studies have shown that the number of droplets produced by speaking is similar to the number produced by coughing.
 - Researchers found that droplets decreased in number with lower-amplitude speech and increased with the loudness of speech. The droplets were almost eliminated when the speaker's mouth was covered with a damp cloth.
- [Attorneys General Call on EPA to Rescind Policy Limiting Enforcement of Environmental and Public Health Laws](#), April 15
 - A coalition of 14 attorneys general wrote a [letter](#) to the Environmental Protection Agency (EPA), criticizing a new EPA enforcement policy. EPA recently stated that it does not intend to take enforcement action against companies that violate existing reporting and monitoring requirements, provided that the companies draw a nexus between COVID-19 and their non-compliance. EPA's enforcement guidance extends to

situations where a polluter's non-compliance presents an imminent threat to public health or the environment.

- The coalition asserts that the policy allows communities to be exposed to harmful pollution without adequate warning. The attorneys general believe the policy ignores the connection between air pollution and cardiovascular and respiratory conditions which may increase risk of serious harm — including premature death — to individuals who contract COVID-19.
- [*Department of Labor Awards More than \\$131 Million in Dislocated Worker Grants*](#), April 15
 - The Department of Labor (DOL) announced the first installment of 26 Dislocated Worker Grants (DWG) funded by the Coronavirus Aid, Relief and Economic Security (CARES) Act. Twenty-four states and territories will receive part of the initial \$131 million in funding. DWGs create temporary jobs to assist with clean-up, recovery, and humanitarian efforts in areas impacted by COVID-19. The program was designed to help address the workforce-related impacts of COVID-19.

Other recent events covered in detail elsewhere:

- [Recent Developments in Credit Funds Secondaries: Has the COVID-19 Pandemic Introduced New Opportunities?](#), April 15
- [COVID-19: Implications for Personal Planning](#), April 14
- [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